United Nations A/AC.109/2080

General Assembly

Distr.: General
3 June 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

American Samoa

Working paper prepared by the Secretariat

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I. General

1. American Samoa,[1] a Territory administered by the United States of America, is located in the South Pacific approximately 3,700 kilometres south-west of Hawaii and 4,350 kilometres north-east of Australia. It consists of six islands (Tutuila, Aunuu, Ofu, Olosega, Tau and Rose) belonging to the Samoan group. Swains Island, 340 kilometres north of Tutuila, is administered as an integral part of American Samoa. The total land area of the Territory is 197 square kilometres, about 70 per cent of which is covered by dense forest. Lying near the equator, between latitudes 13 and 16 south, American Samoa has a typical tropical climate with a wet and a dry season. Pago Pago, the capital, is located on Tutuila, the largest of the islands, where 90 per cent of the population lives.

2. According to information provided by the administering Power, American Samoa's population is growing rapidly. The mid-year population estimate for 1995 was 56,350. The growth of approximately 21 per cent since the 1990 census, which showed a population of 46,773, places a strain on the public infrastructure and on the ability of the Government of American Samoa to provide necessary services. The current population density is estimated at approximately 234 persons per square kilometre, an average figure for the South Pacific. Over 88 per cent of the residents of the Territory are ethnically Samoan.[2]

3. Anyone born in American Samoa is a United States national and is entitled to a modified United States passport. The only substantial legal difference between a citizen and a national is that the latter, as a non-citizen, cannot vote in United States elections.

II. Constitutional and political developments

4. Information on constitutional and political developments in the Territory remained as reported in a previous working paper prepared by the Secretariat (A/AC.109/2023, paras. 4-9). Since January 1981, American Samoa has elected by direct vote a non-voting delegate to the United States House of Representatives. The current delegate, Mr. Eni F. H. Faleomavaega, was re-elected in November 1996.

III. Economic conditions

A. General

5. American Samoa suffers from the same economic constraints, such as geographical isolation and scarce resources, common to most island societies in the South Pacific. Its economy depends on the tuna fish canning industry. Prospects for agricultural development are limited owing to the small percentage of land suitable for cultivation. With respect to other industries, only tourism offers good potential for growth.

6. In 1993, the latest year for which official government figures are available, exports amounted to $488.2 million and imports totalled $427.5 million, resulting in a trade surplus of about $61 million. By far the largest trading partner of American Samoa is the United States (73 per cent), followed by Australia, Japan, New Zealand and Fiji. Imports are mainly food products, fuel and oil, machine parts, building materials, textiles and clothing; canned tuna accounts for 99 per cent of exports.[3]

7. According to information provided by the administering Power, the Economic Development Revolving Loan Fund programme was recently developed in the Territory as a primary alternative to meet inadequate capital financing that must be provided for new ventures in export-based industries. The purpose of the programme is to provide financing for existing and start-up businesses that have limited access to investment capital. It will also provide the leverage for capital deficient or marginal risk businesses to obtain loans from banking institutions. A total of $305,000 worth of loans (creating over 50 jobs) was disbursed for development of local businesses.

B. Public service

8. According to the *American Samoa Statistical Digest, 1994*, the Government of American Samoa continued to be one of the largest employers in the Territory, accounting for 4,355 persons, or approximately 27 per cent of the employed labour force. Most employees in the public service were American Samoans.

C. Public finance

9. In a statement to the people of American Samoa in April 1997, after his first 100 days in office, the Governor said that the cost-cutting measures introduced by the

territorial Government had stabilized its financial situation. While the situation had improved, he warned that the Government was still in a difficult situation. The Governor said that his Administration was making a conscientious effort to pay debtors and had so far paid $4 million in overdue bills to local and overseas businessmen.[4]

D. Land tenure and agriculture

10. Basic information on land tenure and agriculture is contained in a previous working paper prepared by the Secretariat (A/AC.109/2023, paras. 13-15).

E. Industry

11. Information on American Samoa's tuna-processing industry is contained in a previous working paper prepared by the Secretariat (A/AC.109/2023, paras. 16-18).

12. Other industrial activities in American Samoa are mostly service-oriented. There are a number of small factories processing soap, perfume and alcohol. In 1993, there were 2,204 registered businesses in the Territory, of which retail trade accounted for 34 per cent, wholesale trade for 14 per cent, service establishments for 24 per cent and transportation for 17 per cent.

F. Transport and communications

13. There are approximately 150 kilometres of paved roads and 200 kilometres of secondary roads in American Samoa. In 1993, there were 5,126 registered vehicles, of which 89 per cent were privately owned. There is a non-scheduled bus service.

14. Information on sea links and shipping companies is contained in previous working papers prepared by the Secretariat (A/AC.109/2023, paras. 22 and 23; and A/AC.109/2044/Add.1, paras. 41-44).

15. In 1993, a total of 852 vessels entered American Samoa, including fishing boats, freighters, yachts and cruise ships.

16. Pago Pago International Airport is regularly served by a number of airlines which link American Samoa with Hawaii and the United States mainland, as well as with Australia, New Zealand and other countries in the South Pacific. In 1993, the number of passenger arrivals declined by 6 per cent in comparison with 1992, while air traffic in general declined by 46 per cent.

17. American Samoa, through the overseas Communications Satellite corporate link, has direct dialling to most countries. In 1993, the Territory had 8,900 telephones, as well as 18 telex and 350 facsimile subscribers.[5]

18. There are several weekly newspapers in the Territory in both the English and the Samoan languages. There is also a daily newspaper, the *Samoa News*.

G. Water system and utilities

19. Information on the water system and utilities is contained in the previous working paper prepared by the Secretariat (A/AC.109/2044/Add.1, paras. 29-35). According to information provided by the administering Power, significant progress was being made with the Tafuna Plains sewer collection system (phase III), with about 750 residents connected to the system. The Department of the Interior has assisted in funding a Hazard Mitigation Project to improve the sewage ocean outfalls. The project is currently under construction. Other capital Improvement Projects funded by the Department of the Interior include a new sewer collection system for the island of Aunuu and a sewer connection programme within the Pago Pago area. The latter programme has successfully connected approximately 720 homes, and another 50 homes are expected to be served when the project is completed.

H. Tourism

20. Despite the Government's efforts to encourage tourism, the industry remains relatively small. According to information provided by the administering Power, total tourist arrivals totalled 5,800 in 1995, a decline of about 1,500 from the 1992 figure and about half the visitor level in 1991.

I. Financial institutions

21. Information on financial institutions in American Samoa is contained in the previous working paper prepared by the Secretariat (A/AC.109/2044, paras. 16 and 17).

IV. Social conditions

A. Labour

22. Information on the labour force in the Territory is contained in previous working papers prepared by the Secretariat (A/AC.109/2023, paras. 30 and 31; and A/AC.109/2044, para. 20). The labour force in the Territory, which has been steadily increasing since 1980, numbered 16,261 workers in 1993. The two largest employers are the Government and the two tuna canneries, which together provide approximately 62 per cent of the jobs. In 1993, the unemployment rate was 16.7 per cent.[6] In October 1996, the minimum hourly wage for workers in American Samoa was increased by 8 cents, to $2.45. This minimum pay level is nearly five times higher than in Western Samoa. The increase makes it one of the highest minimum wages in the South Pacific and attracts migrants from Western Samoa, Tonga and Fiji, as well as from Asian countries.[7]

B. Immigration

23. Information on immigration is contained in a previous working paper prepared by the Secretariat (A/AC.109/2023, paras. 32 and 33). Early in 1997, American Samoa's Governor announced an amnesty for illegal immigrants who arrived in the Territory before 1 January 1997 if they applied for permanent resident status. The amnesty expired on 3 April 1997, at which time only 600 illegal immigrants had taken advantage of the amnesty. It is believed that the number of illegal immigrants in American Samoa is between 1,000 and 5,000, which, according to the Territory's officials, is placing an increasing burden on the Territory's health, education and other services, which are free for all.[8]

C. Public health

24. The main hospital in the Territory, the Lyndon Baines Johnson Tropical Medical Center, has 140 beds and a staff of 25 physicians. Medical, dental and pharmaceutical services are available 24 hours a day at minimal cost to residents and visitors. For serious cases, off-island treatment, including hospitalization in Guam, Hawaii or the United States mainland, is provided free of charge.

25. In 1993, out-patient visits to the Center totalled 138,074, a decline of about 4.4 per cent from the 1992 figure. The emergency room continued to receive the most visits (41 per cent), followed by the dental and paediatric clinics. There were 4,833 discharges with 16,468 patient days in 1993. The occupancy rate for 1993 was 38.7 per cent, compared with 38.2 per cent in 1992. The average length of stay at the Center stood at 3.4 days.[9]

26. In early December 1996, public health officials of the Territory expressed concern that supplies of insulin and other critical medicines such as antibiotics and anaesthetics were negatively affected as a result of the territorial Government's problems with cash flow . The shortage of medical supplies has been so acute that the Center has had to borrow from the National Hospital in neighbouring Western Samoa. According to a statement by the Center's Associate Administrator, the Territory's Government was negotiating with the United States Department of the Interior to find a solution to the problem.[10]

27. According to information provided by the administering Power, despite problems between the present administration and the *Fono* (American Samoa legislature), the American Samoa Hospital Authority has made significant progress in improving the health situation on the island. Most projects are being funded with $1.2 million of federal Capital Improvement Project funds that have accumulated over the past several years. Among the major projects are upgrading of the labour/delivery area and the operating room, the provis n of a new X-ray machine in the expanded radiology section, the opening of a new emergency room in August 1996, new energy-efficient lighting and other projects.

28. In February 1997, health authorities in American Samoa warned that the highly contagious disease commonly known as "red eye" was reaching epidemic proportions in the Territory, with almost 20 cases of haemorrhagic conjunctivitis being treated at the local hospital daily. In February 1997, "red eye" spread rapidly across the Pacific, with hundreds of cases reported in French Polynesia, Niue, New Zealand, Papua New Guinea, Solomon Islands and Western Samoa.[11]

D. Crime and crime prevention

29. In 1993, a total of 2,417 offences were reported to the police, an increase of 14 per cent compared with 1992. The most common offences were disorderly conduct, assault, burglary, larceny, drunken driving and property damage.[12]

30. In February 1997, a new anti-drug bill was introduced in American Samoa, providing for tougher penalties for drug-related crimes.

E. Housing

31. In 1993, a total of 481 land use permits were issued. There were 338 permits for new structures, repair or alterations, with a total estimated construction value of $12 million.[13]

V. Educational conditions

32. The educational system in American Samoa is broadly based on the United States pattern of eight years' attendance of elementary school and four years' enrolment in high school. In 1993, there were a total of 99 private and public educational institutions, with a total enrolment of 16,503 students. About 44 per cent of the students were born outside American Samoa. The majority of foreign-born students were from Western Samoa and the United States.[14]

33. American Samoa Community College, established in 1970, offers two-year degree courses in arts and sciences and certificates of proficiency programmes in vocational skills, business, clerical and nursing curricula. At the end of 1993, the College had 1,277 students.[14]

VI. Participation in international organizations and arrangements

34. Information on American Samoa's participation in international organizations and arrangements is contained in a previous working paper prepared by the Secretariat (A/AC.109/2023, paras. 40-43).

VII. Future status of the Territory

35. In a statement made in 1993, the Lieutenant-Governor of American Samoa indicated that American Samoa preferred to remain a Territory of the United States (see A/AC.109/1159, paras. 25-31). This position remains unchanged as of today.

36. In his statement to the Special Political and Decolonization Committee (Fourth Committee) on 9 October 1996, the representative of the United States said that it could not automatically be assumed that the goal of eradicating colonialism was relevant to most or all of the Territories that remained on the list of Non-Self-Governing Territories. The United States had found from its experience as an administering Power that the people of the majority of those Territories understood that independence was not the only possible outcome of self-determination. He also said that they understood that their choices were not circumscribed by the three options set out in General Assembly resolution 1514 (XV) of 14 December 1960.[15]

37. On 27 March 1997, the General Assembly adopted without a vote resolution 51/224 B, a consolidated resolution on 10 Non-Self-Governing Territories, section I of which is specifically devoted to American Samoa. In explanation of its vote on the resolution, the representative of the United States said that for the first time the resolution was appropriately balanced, shunning cold-war-style rhetoric and acknowledging international progress towards self-government in the Territories concerned. He also said that the resolution recognized that self-determination as it had evolved was not a unitary concept satisfied only by full independence, but encompassed a much broader range of acceptable options, as long as they were freely chosen through informed elections by the people affected.[16]

Notes

[1] The information contained in the present working paper was derived from a report transmitted to the Secretary-General by the United States of America under Article 73 *e* of the Charter of the United Nations on 1 April 1997 and from published sources.

[2] *American Samoa Statistical Digest, 1994*, p. 15.

[3] Ibid., p, 186.

[4] *Radio Australia News Summary*, South Pacific, 17 April 1997.

[5] *American Samoa Statistical Digest, 1994*, p. 159.

[6] Ibid., pp. 132 and 133.

[7] *Radio Australia News Summary*, South Pacific, 14 October 1996.

[8] Ibid., 1 and 2 April 1997.

[9] *American Samoa Statistical Digest, 1994*, p. 42.

[10] *Radio Australia News Summary*, South Pacific, 5 December 1996.

[11] Ibid., 7 February 1997.

[12] *American Samoa Statistical Digest, 1994*, p. 72.

[13] Ibid., p. 88.

[14] Ibid., p. 58.

[15] A/C.4/51/SR.4, para. 48.

[16] A/51/PV.94.

United Nations A/AC.109/2081

General Assembly

Distr.: General
21 May 1997

Original: English

Special Committee on the Situation With Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Cayman Islands

Working paper prepared by the Secretariat

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I. General

1. The Cayman Islands[1] are located some 180 miles west of Jamaica and about the same distance south of Cuba. They comprise three islands: Grand Cayman (76 square miles), Cayman Brac (some 90 miles to the north-east) (15 square miles) and the adjacent and largely undeveloped Little Cayman (11 square miles). In the last census, conducted in 1989, the total population was recorded as 25,355, the majority of whom live in Grand Cayman, with some 1,500 in Cayman Brac and some 30 in Little Cayman. The 1994 population estimate was 31,930.

2. Social and racial harmony are key features of the way of life of the Cayman Islands. This is partly due to the fact that the people of the Cayman Islands have ancestors from Europe and Africa. Another contributing factor is the level of migration. Only just over one half of the residents (13,202 or 52 per cent) reported in the 1989 census that they had been born in the Cayman Islands. The second most common country of birth was Jamaica, accounting for 4,829 residents. Overall, the cosmopolitan nature of the population is well illustrated by the fact that some 120 different countries of birth outside the Cayman Islands were recorded in that census.

II. Constitutional and political developments

3. The governing National Team contested the election, which took place on 11 November 1996, in the Legislative Assembly. It won nine seats, reducing its previous majority by two seats. In addition two other political groups contested – Team Cayman and the Democratic Alliance, which won two seats and one seat respectively. While the National Team fought the elections on its election record, the Team Cayman questioned the Government's management of public debt and the financial health of Cayman Airways. [2]

4. There were slight changes to Ministers' portfolios. It will be recalled that the Cayman Islands, unlike the five other British-administered Territories in the Caribbean, has neither a Chief Minister nor a Premier, nor does it have political parties. The Government of the United Kingdom appoints the Governor of the Territory. [3]

5. According to the administering Power, the Cayman Islands enjoys a full measure of internal self-government under the elected Legislative Assembly, from which five Council members are elected and given specific portfolios of responsibilities.

6. According to the administering Power, the independence of the judiciary is an integral component of the economic, social and political stability in the Cayman Islands. There are three levels of courts in the Cayman islands: the Summary Court, the Grand Court and the Cayman Islands Court of Appeal. The Summary Court is presided over by one of two magistrates. It deals with civil disputes up to 2,000 Cayman Island dollars and all but the most serious criminal offences. The Juvenile Court, which is also a court of summary jurisdiction, generally sits with three justices, one of whom must be a woman. Appeals from the Summary Court lie to the Grand Court, which is presided over by the Chief Justice or by one of the two Puisne Judges. The Grand Court has both civil and criminal jurisdiction and administers the common law and the law of equity of England, as well as locally enacted and applied laws. The Cayman Islands Court of Appeal was established by an amendment to the Constitution Order in 1984 (S.I. No. 126), before which appeals were heard by the Jamaican Court of Appeal. It sits, when required, to hear appeals from the Grand Court and is at present presided over by the former Chief Justice of Jamaica. Appeals from the Cayman Islands Court of Appeal lie to the Judicial Committee of the Privy Council.

7. The appointment of all members of the judiciary are made by the Governor in accordance with directions given by the Secretary of State for Foreign and Commonwealth Affairs in her Majesty's Government.

8. According to the administering Power, access to the courts is available to all without restriction and, under the Legal Aid Law, legal aid is available for all serious criminal offences to those unable to pay for their defence. Unfettered reporting by the press of criminal and civil proceedings in open court also bolsters the independence of the judiciary.

III. Economic, social and educational conditions

9. According to the administering Power, during the period under review, the former Department of Trade and Labour became the Department of Human Resources and increased its staff to seven. It handled around 148 complaints and a steady flow of informal complaints was investigated and resolved. A total of 65 cases were settled at labour hearings. The number of people seeking jobs decreased from 510 in 1994 to 338 in 1995. Although some job seekers found work, the number of applicants continued to outnumber job vacancies. The Department also initiated a job counselling programme. This involved the use of video

tapes to help lesser skilled and unskilled persons with their applications. Successful prosecutions against various violations of the Labour Law arose and a number of Labour Law amendments were passed in the Legislative Assembly. These included amendments dealing with the appointment of various labour tribunals and a labour relations board. At year's end, they were awaiting the Governor's assent and gazetting.

10. The Labour Law provides, in section 6, that every employer who enters into a contract of employment with an employee other than a casual employee or a person employed as a household domestic shall, within 10 working days of entering into such contract, furnish the employee with a written statement of his/her conditions of employment stating the matters set forth below:

(a) Job title, a brief statement of the general responsibilities and duties of the employee and of any special requirements or conditions of the job;

(b) Regular hours of work, together with any particular terms or conditions relating to the hours of work;

(c) Rate of remuneration or the method by which it may be calculated;

(d) Intervals at which remuneration is to be paid;

(e) In the case of employees whose pay is normally stated on some basis other than hourly, the hourly equivalent save that, in case of persons remunerated wholly or in part by commission, the rate of commission should be stated;

(f) Period of employment, if other than indefinite;

(g) Period of probation, if any;

(h) Employee's holiday entitlement or the method by which it may be calculated;

(i) Employee's entitlement to sick leave; and

(j) Length of notice which the employee is obliged to give and is entitled to receive to terminate the contract of employment.

Failure to furnish such a statement is a criminal offence.

A. Trade Unions

11. According to the administering Power, trade union activity is governed by the Trade Union Law. Everyone is free to join a trade union. All trade unions must be registered by the Registrar of Trade Unions. Peaceful picketing is permitted. Trade disputes, including strikes, are permitted also.

12. "Trade dispute" means, under this law, any dispute between employers and work persons, or between work persons, which is connected with the employment or non-employment, the terms of the employment or with the conditions of labour of any person.

B. Social Security

13. The administering Power stated that although there had in the past been no social security scheme, including social insurance as such, the position would be subject to change in 1997. Under section 4 (1) of the National Pension Law of 1996, every employer in the Cayman Islands shall provide a pension plan or make contribution to a pension plan for every person employed by him in the Cayman Islands. The regulatory details of these arrangements will be finalized in the course of 1997.

14. In addition, financial assistance to indigent and elderly persons is available from the Social Security Services Department.

15. The principal laws designed to promote such protection are:

Age of Majority Laws, 1977;

Estates Proceedings Law, 1974;

Youth Justice Law, 1995;

Maintenance Law (Revised);

Marriage Law (1995 Revision);

Married Women's Property Law;

Matrimonial Causes Law (Revised);

Poor Persons Relief Law (Revised);

Sex Disqualification (Removal) Law;

Succession Law (1995 Revision);

Wills Law (Revised);

Summary Jurisdiction (Domestic Violence) Law, 1992.

16. According to the administering Power, the aim and effect of legislation and action by the Government in these areas is to create a society in which individual effort is rewarded while a cushion is provided – often with voluntary help – for the less fortunate.

17. Hence, although there are no housing grants, there is a government-sponsored scheme under which long-term mortgages are being provided for low-cost homes at low interest rates.

18. The Department of Social Services provides a full range of social work services. These include financial assistance for the care of mothers and young children, advocacy for this vulnerable section of the population and operation and staffing of two caring homes, one for boys and for girls, each with 12 places, as well as a foster-care programme. The caring homes were both provided as a result of public fund-raising efforts.

C. Maternity protection

19. According to the administering Power, under the Health Services (Fees) Regulations of 1975, contraceptive services are provided free of charge, in addition to free antenatal service which is already being provided to all residents irrespective of nationality.

20. The Labour Law provides for 12 weeks mandatory maternity leave in a year, after 12 months of service, of which four weeks will be paid leave. The leave entitlement is on a *pro rata* basis for workers with less than 12 months of service. The General Orders (which regulate terms and conditions of employment in the civil service) have been amended to provide for 12 weeks of maternity leave to women in the civil service who have completed 12 months of service.

D. Protection of children and young persons

21. The Youth Justice Law of 1995 is considered as the main instrument. In addition, other relevant laws are:

Adoption of Children Law (Revised);

Education Law of 1993 and the 1971 regulations;

Guardianship and Custody of Children Law (Revised);

Juveniles (Joint Trials with Adults) Law;

Legitimation Law (Revised).

22. The Education Law provides for the compulsory medical inspection of all schoolchildren. Children who, for whatever reason, are separated from their mothers may be placed in voluntary care with foster parents in one of the two residential care facilities in the Cayman Islands. Adoption overseas is an alternative as a last resort. Delinquent minors are also accommodated in the two caring homes or with foster parents.

23. A school for disabled children, founded in 1975 as a volunteer project, is now operated by the Government. In addition, the Government has established the Sunrise Adult Training Centre, which teaches life skills and crafts, mostly ceramics, to disabled adults.

24. Measures to protect children and young persons from exploitation are provided by the Juvenile Law. The National Council for Social Services, a voluntary body subsidized by the Government, runs a number of preschool facilities and gives support in various ways to the children of broken homes.

25. The Youth Justice Law, in particular sections 42 to 46, places restrictions on the employment of children. The school-leaving age is 15 years and 9 months.

E. Employment

26. Given the Islands' buoyant economy and generally full employment situation, which provides one of the highest standards of living in the region, the Government has seen no need to legislate specifically on the achievement of an adequate standard of living.

F. Right to adequate food

27. The administering Power stated that the Government of the Territory had also seen no need to legislate on the right to adequate food, preferring the practical course of extending the already wide range of basic foodstuffs exempted from the import duty tariff, which provides much of its revenue. The list of duty-free imports now includes milk, rice, raw sugar, wheat flour, potatoes, all poultry, salt beef, salt fish, cheese, coffee and cornmeal.

28. Through the Department of Agriculture, the Government has continued to extend its programmes to encourage the reduction of the Islands' dependency on imported food. All agricultural equipment and supplies are admitted free of import duty, as are pure-bred livestock (cattle, goats and chickens) brought in by the Department for local farmers as part of the drive to upgrade the Islands' livestock. Bull's semen is also imported and is successfully used in upgrading and expanding local cattle herds. Within the restrictions of land quality and water supply, emphasis is being placed on innovative technology, including the use of hydroponics and irrigation schemes, to increase

production. The Government has undertaken to ensure the future development of the agricultural sector and, to that end, has adopted a five-year development plan for the sector.

29. The Department's experimental farm continues to test different varieties of plants and growing methods and the results are reported to district meetings of farmers arranged in cooperation with the local Agricultural Society.

30. To protect groundwater resources and prevent degradation due to over-pumping or saltwater intrusion, the abstraction of water is regulated under the Water Authority Law of 1982 and its regulations of 1985. Lectures and farm visits by Department staff are used to disseminate knowledge and advice on food production and conservation.

31. The Government has hired an agronomist to advise on new techniques of food production and has opened a new farmers' market for the marketing of local produce. The market is leased by the Cayman Islands Farmers' Cooperative and managed by a government-employed agricultural marketing officer.

32. According to the administering Power, knowledge of the principles of nutrition is disseminated through social education in schools, by public health nurses in government health centres and through articles in the local press. Educational programmes on nutrition are organized through the hospital nutritionist.

G. Right to adequate clothing

33. According to the administering Power, no laws have been considered necessary to ensure the right to adequate clothing. In a tropical climate such as that of the Cayman Islands there is little, if any, problem over the provision of clothing. Although none is produced commercially on a large scale in the Islands, adequate clothing is available to all. Distribution of clean used clothing to needy families is undertaken by voluntary bodies such as service clubs. The Department of Social Services provides free school uniforms and other clothing to children in foster care or in the caring homes as well as to other children whose families are financially unable to provide adequate clothing for them.

H. Right to housing

34. According to the administering Power, no law proclaims a right to housing, but the Housing Development Corporation Law of 1981 provides for the promotion of housing development.

35. There is a building code which includes provisions to meet earthquake and hurricane hazards and other public safety concerns. An electrical code and plumbing policies have been established, including licensing and inspectorate provisions.

36. In its report, the administering Power also stated that a programme for the improvement of sub-standard tenanted housing had begun in 1990 in Grand Cayman. A public piped-water supply covers most of the Grand Cayman, thus greatly reducing the health risks associated with using groundwater underlying heavily populated areas. Plans are in hand to provide a piped-water supply to the smaller island of Cayman Brac. The development of groundwater resources and the establishment of two reservoirs in rural districts has also improved the supply.

37. The administering Power added that the provisions of sanitary facilities for indigents, a rodent control programme and the extension of refuse collection services have all contributed to the improvement of sanitary conditions. There are regulations governing the collection and disposal of infectious wastes.

38. The Public Health Law of 1991 contains provisions covering such matters as the suppression and prevention of illness and the treatment of sexually transmitted diseases. Other relevant laws are the Health Services Law and the Mental Health Law.

I. Sports

39. According to the administering Power, the Government has given priority to sports in its social services programming. The Government hopes to build public awareness of the need for recreation and exercise because of: their immediate health-related benefits; their effect on national consciousness and productivity; their role as an alternative to more unhealthy or pathological social conditions (such as drug abuse).

40. The administering Power added that there were approximately 30 national sporting organizations which catered to both domestic and international needs. They include organizations for track and field athletics, basketball, badminton, lawn tennis, cricket, soccer, rugby, squash, boxing, swimming, bodybuilding, various martial arts, volleyball, netball, cycling and softball. Most of these national organizations fall under the umbrella of the local Olympic Committee and many are affiliates of the relevant international governing body.

41. These national organizations are supported by government cash grants and some technical assistance from the government Sports Office and the Cayman Islands Sports Council. Together with recreational users, they have free use of physical facilities provided by the Government, including playing fields, changing rooms, hard courts, public beaches and a public swimming pool with instructors.

J. Public health

42. According to the administering Power, the stillbirth rate and the infant mortality rate are both very low. Among factors contributing to their reduction are the provision of free antenatal and postnatal care, improved immunization coverage (now 90 per cent) for infants and health education for schoolgirls and mothers.

43. The administering Power stated further that health information was disseminated through social education in the schools. The school health programme has been intensified to include medical inspections and health screening for all school children. A family life education curriculum has been introduced at all levels of the school system. This includes segments on drug problems and on acquired immunodeficiency syndrome (AIDS). A health educator has been secured on a two-year contract. Under her guidance, public education programmes will be intensified. All outpatient services at government hospitals continue to be free of charge to all school children.

44. The administering Power adds that the Public Health Law of 1981 provides basic coverage in the areas of water quality, nuisance abatement, offensive trades, prevention or suppression of disease, solid waste management and rodent control. Some administrative and programme changes have been introduced in order to strengthen environment health activities, with emphasis on water quality, surveillance, sanitation, solid waste management and rodent control. Cooperation and consultation among government departments has led to better monitoring of the environmental effects of large-scale developments. A technical committee advises government bodies when required.

45. According to the administering Power, there has been a steady growth of vaccination programmes aiming towards the target of having every infant protected against poliomyelitis, diphtheria, whooping cough, tetanus, tuberculosis, mumps and rubella. Vaccines are available through the hospitals and district health centres. A notification and surveillance system guarantees that appropriate steps are taken to control any epidemic. Incidence of communicable disease is very low and the necessary facilities are available for the management of those few cases that occur. Traffic accident prevention measures include lowering of speed limits and their active enforcement. Through the media, public education is carried out on the use of seat belts for drivers and of safety seats for infant passengers and on the dangers of mixing driving with alcohol or drug abuse.

46. Two hospitals and four health centres put medical care within reach of all residents of the three islands. In the district health centres, public health nurses provide primary care and doctors visit on a regular basis to provide medical care. A radio control system ensures quick despatch of ambulances to any accident and hospitals are equipped to deal with most trauma cases. In exceptional cases, an air ambulance takes victims overseas for treatment. The expenditure on health and medical services in 1994 was 12.6 million Cayman Island dollars, with a further $2.2 million in local currency for overseas medical services.

47. In 1990, the Government accepted a policy document for the planning of health delivery systems in the Cayman Islands. The government services are complemented by a wide range of private practitioners. Those who cannot pay the charges at the government facilities can obtain free care through the social services.

The following are 1994 statistics:

Number of hospitals	2
Number of hospital beds	77
Physicians per 10,000 people	14.7
Dentists per 10,000 people	3.7
Nurses per 10,000 people	45
Infant mortality	13
Stillbirths	2

K. Education

48. According to the administering Power, in addition to the privately operated educational institutions in the Cayman Islands, the Government maintains, entirely at public expense, nine primary, one middle, two secondary schools and a special school for mentally or physically disabled pupils (units for those with impaired hearing or sight form part of the primary school).

49. The administering Power added that the scholarships for the pursuit of higher education were available from the

Government to applicants who possess four or more General Certificate of Secondary Education passes. The amount provided for scholarships in the budget for 1994 is 8.7 million Cayman Island dollars in total. A student soft loan scheme has also been made available by the Caribbean Development Bank for the pursuit of vocational, technical or professional studies overseas. Teacher training is carried out by the Education Department.

50. According to the administering Power, the Education Law of 1983 established free compulsory education for all children between 5 and 16 years of age. Education is in fact available at public expense to all children from the age of three years and nine months, should their parents desire it. The law also established an Education Council comprised of 12 members to promote education and the development of schools.

51. The regular attendance of school pupils is required by law. Parents whose children fail to attend without lawful excuse are liable to fines. All children who reside in the outer districts are transported free of charge to the capital, George Town, to attend the middle, secondary or special schools. Children from indigent families are provided with free lunch at government expense at their school of attendance.

52. The middle school was constructed in 1979 and phase one came into operation in September of that year. Phases two and three were constructed in 1980 and 1989 respectively.

53. The secondary schools are fully staffed by professionally qualified teachers. Among courses available to secondary school students are a range of vocational and technical courses, including carpentry, automobile mechanics, technical drawing, computer science and secretarial science.

54. Non-denominational religious instruction is required to be given in every government school.

55. Physical education is among the "core" school subjects. Every child has at least 80 minutes of physical education every week. This is supplemented by numerous after-school extracurricular sports activities. Several competitions catering for the athletic abilities of the young child are organized.

56. According to the administering Power, a total of 271 teachers are employed in the public education system. The ratio of teachers to pupils at primary school level is 14:3; at the middle school level 11:6; and at the secondary school level 7:6.

57. The Government maintains, by grant funds covering operating expenses, a community college, which was established by the Community College of the Cayman Islands Law of 1987. The college, which is under the management of a Board of Governors, offers a variety of evening courses (vocational or technical, academic or recreational), as well as full-time or part-time courses during the day. There are four departments: technology, hospitality, business studies and general studies. Its particular role is to provide educational opportunities for adults and others who have for whatever reason been excluded from the mainstream of higher education. Assistance is provided for a number of in-service training activities in the public sector.

58. In addition to the educational institutions provided by the Government, there are six primary schools and five small secondary schools maintained by recognized churches. The Government gives annual grants and other assistance.

L. Culture

59. According to the administering Power, the Government recognizes the right of everyone in the Cayman Islands to take part in cultural life and to enjoy the benefits of scientific progress and its applications. The patent and copyright laws of the United Kingdom are applied in the islands, giving protection locally to investors, writers, artists and others.

60. There are now four main bodies with responsibilities for coordinating and promoting activities in this area. They are: the Cayman National Cultural Foundation, which operates the Harquail Theatre under the Cayman National Cultural Foundation Law of 1984; the Cayman Islands Museum, which operates under the Museum Law of 1979; the National Trust for the Cayman Islands, which operates under the National Trust for the Cayman Islands Law of 1987; and the Public Library, which operates under the Public Library Law (revised). All these bodies receive funding support from the Government.

61. Among local groups using the Harquail Theatre for stage productions have been the Cayman Islands high school drama students, school children in the National Children's Festival of Arts and the Northward (Prison) Players. Musical groups using the Theatre have included the National Choir, the Music Club and, from time to time, various gospel choruses. The Theatre has also been found to be an appropriate venue for display exhibitions by the Visual Arts Society, the Garden Club, the Education Department and other groups. It has therefore become a true community resource. A private group, the Cayman Drama Society, also completed a theatre facility of its own in 1990.

62. In addition to managing the Harquail Theatre property, the Cayman National Cultural Foundation encourages various forms of cultural expression.

M. Cayman National Cultural Foundation

63. The Board of the Cayman National Cultural Foundation has as its main operating concern the management of the Harquail Theatre, built in 1984 almost entirely from funds and on land given for the people of the Cayman Islands by a private benefactor, Mrs. Helen Harquail. The surrounding lands, some 12 acres in all, is also administered by both local and visiting artists.

N. Cayman Islands Museum

64. The Cayman Islands Museum opened in 1990 in the Old Courts Building, the oldest existing public building in the Cayman Islands, which had been extensively renovated and refurbished. The Museum features permanent and changing exhibitions, as well as occasional travelling exhibitions. Various categories of membership are available, geared to produce as widespread public support as possible as well as to solicit voluntary contributions.

65. The Museum also works with the National Trust on the Memory Bank oral history project.

66. The Board of the Museum is charged with the management of the Museum, with the support of staff who are publicly appointed and paid.

67. There is also a museum featuring Brac artifacts in Cayman Brac, housed in the former District Administration Building.

O. Cayman Islands National Trust

68. According to the administering Power, the Trust was established in 1987 for the purposes of: (a) the preservation of the historic, natural and maritime heritage of the islands through the preservation of areas, sites, buildings, structures and objects of historic or cultural significance; (b) the conservation of lands, natural features and submarine areas of beauty, or of historic or environmental importance which the Trust may have acquired through gifts, bequests, purchase, lease or other means; and (c) the protection of native flora and fauna.

69. The Trust has so far been given three properties to manage: the Salinas in the eastern interior, a 650-acre plot which is to be preserved in its natural condition; the ruins of Fort George in George Town; and an area in Frank Sound.

70. The Trust is also working on the compilation of a Heritage Register of properties which seem to typify various aspects of Caymanian architecture and culture more generally. In addition, district councils of the Trust are working on a variety of individual programmes.

71. A captive breeding programme for the Cayman Blue Iguana, *cyclura nubila lawis*, has been successfully initiated by the Trust with the assistance of the Life Fellowship Foundation of Tampa, Florida. A programme of public education on the Grand Cayman and Cayman Brac parrots (*Amazona leucocephela Caymanesis*) has also been undertaken with assistance from the Rare Bird Centre of Philadelphia, Pennsylvania.

72. There are public libraries in George Town and East End of Grand Cayman and at Stake Bay on Cayman Brac. They have a collection of some 22,000 volumes, including reference, local history and large private materials books or cassettes and video cassettes. There are facilities at each library for children.

P. Archives and Records Office

73. According to the administering Power, the Archives and Records Office, established in 1988, has developed rapidly. Physical facilities for it and enabling legislation is now being prepared. Progress is being made with the collection of local archival material from various sources. The archivist has been involved with the Memory Bank project since the establishment of the office.

Q. Drug control

74. It was reported that the police seized 3,193 lbs. of cocaine during the first nine months of 1996. The Cayman Islands police was commended for covering illicit drug operations and the arrest of cocaine traffickers. [4]

R. Money laundering

75. Legislation on commercial crime was passed in November 1996. After the role of banks in the Cayman Islands in money laundering was revealed, the police and bank officials have become more alert to such schemes. The

Government of the Cayman Islands is under pressure to scrap the banking secrecy law.[5]

S. Financial matters

76. It was reported that the Cayman Islands Stock Exchange started operating on 2 January 1997, at the same time as the establishment of a Monetary Authority, formed by the amalgamation of the Government's Financial Services Supervision Department and the Currency Board. Initially, it was expected that applications for Stock Exchange listing would take three days to process, but its acting Chief Executive stated that he planned to bring the time down to two days. [6]

IV. Future political status

A. Position of the administering Power

77. Information on the position of the administering Power is contained in paragraphs 34, 35 and 36 of document A/AC.109/2075.

B. Action by the General Assembly

78. On 27 March 1997, the General Assembly adopted, without a vote, resolution 51/224 B, section V of which particularly concerns the Cayman Islands.

Notes

[1] The working paper is based on information provided by the administering Power under Article 73 *e* of the Charter of the United Nations, as well as from public published sources.

[2] *Caribbean Insight*, January 1997.

[3] *The Associate*, a periodic update, Economic Commission for Latin America and the Caribbean Development and Cooperation Committee, 1 February 1997.

[4] *Caribbean Insight*, November 1997.

[5] *Financial Times*, London, 3 March 1997.

[6] *Caribbean Insight*, January 1997.

United Nations A/AC.109/2082

General Assembly

Distr.: General
21 May 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

British Virgin Islands

Working paper prepared by the Secretariat

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I. General

1. The British Virgin Islands[1] comprises nearly 30 islands and islets, 16 of which are inhabited. They cover a total of 153 square kilometres and lie 96 kilometres east of Puerto Rico and 225 kilometres north-west of Saint Kitts and Nevis. The most important islands in the Territory are Tortola (54 square kilometres, the largest in the group), Anegada (38 square kilometres), Virgin Gorda (21 square kilometres) and Jost Van Dyke (9 square kilometres). Peter Island and Cooper Island are mainly holiday resorts. Road Town, the capital, is located on Tortola.

2. According to 1995 estimates, the population of the British Virgin Islands was 18,000. Over 90 per cent of the population is of African descent.

II. Constitutional and political developments

Constitutional developments

3. Information on the British Virgin Islands Constitution, the constitutional review conducted by the administering Power in 1995, as well as on the territorial Government and public service, political parties and the 1995 general elections is contained in the previous working papers prepared by the Secretariat (A/AC.109/1142, paras. 13-15; A/AC.109/1180, paras. 6-18; A/AC.109/2017, paras. 3-21; and A/AC.109/2055, paras. 3-11).

III. Economic conditions

A. General

4. The economy of the British Virgin Islands continued to be based on tourism and financial services. Government policies emphasize an ongoing commitment to the development of these two sectors, as well as to broadening and diversifying the economic base. Other objectives of the Government's development strategy are the attainment of sustainable growth by expanding the basic economic foundation and physical infrastructure, maximizing revenue potential and raising the standard of living through more equitable distribution of economic gains.

B. Public finance

5. In his budget address delivered at the territorial Legislative Council on 10 April 1997, Mr. R. O'Neal, Chief Minister and Minister of Finance, said that as of the end of 1996, the Territory had a recurrent surplus of $29.5 million, showing a 12.4 per cent increase in recurrent revenue collection for 1996 over 1995 levels. Of that recurrent surplus, $12.5 million was spent to fund the territorial public sector investment programme within the capital budget for 1996.

6. According to the Chief Minister and Minister of Finance, the territorial public debt servicing obligations for 1997 were $4,072,500, compared with $4,477,500 in 1996. As of 31 December 1996, the total public sector debt stood at $71 million.

C. Construction and development

7. The number of development applications submitted to the Town and Country Planning Department in 1996 totalled 273, a decrease of 18.26 per cent compared with the 1995 indicator. In that connection, the Government announced its intention to create in the Territory "an environment in which the construction industry could expand and flourish" and "create structures necessary for the socio-economic well-being".

D. Agriculture, livestock and fisheries

8. Agriculture is restricted to food crops and pasture, mainly on Tortola, Jost Van Dyke and Virgin Gorda. Food crops include fruits and vegetables; sugar cane is grown for the rum production industry. The Government has been encouraging investment in the sector, particularly in the establishment of hydroponic operations for fresh vegetable production. Stock raising is another subsector, primarily hybrids from Senegal and English Red Polls.

9. The Territory's coastal waters are rich in fish for both home consumption and export. The use of larger boats and more advanced technology has increased the size of the catch. The sector accounts for less than 10 per cent of the gross domestic product.

E. Industrial development

10. The manufacturing sector continued to have a low level of activity. The Government has for some time undertaken measures to stimulate this sector by strengthening and expanding the programmes of the Trade, Investment and Promotion Department.

11. In addition to the rum industry, there are two ice-making plants and some cottage industries catering primarily to the tourist market, as well as small boat manufacturing companies. The repair and maintenance of yachts is an important local industry. The Territory also produces some construction materials.

F. International business and finance

12. In his budget address, the Chief Minister and Minister of Finance stated that in 1996, 41,608 new international business companies were incorporated, bringing the total number of such companies at the end of that year to 210,000. As of 31 December 1996, 68 credit life companies, 56 captive companies, 2 reinsurance companies and 25 local insurance companies were operating in the British Virgin Islands in accordance with the territorial Insurance Act.

13. In order to intensify the efforts to diversify the financial services sector offerings and to enhance the attractiveness of the Territory as a financial services centre, in 1996 legislation was adopted in respect of limited partnership, limited life companies and mutual funds. The Government was also considering the introduction of legislation aiming at criminalizing all types of money laundering in the Territory as well as at ensuring that legislation and programmes related to the Territory's financial services accorded with internationally accepted standards.

G. Tourism

14. According to the budget address, visitor arrivals to the British Virgin Islands in 1995 increased by 7 per cent over the corresponding period in 1994, when they contributed $115 million in revenue. The increase was attributed to the intense promotional efforts on the part of the Tourist Board and of the industry itself.

IV. Social conditions

A. Labour

15. Information on the labour situation is contained in the 1995 working paper prepared by the Secretariat (see A/AC.109/2017, paras. 46-48).

B. Public health

16. The Territory continued to be served by the 50-bed Peebles Hospital on Tortola and by a number of health clinics throughout the Territory. There is also a private hospital. It is estimated that more than 50 per cent of medical care at the primary level is provided by private physicians. The Territory suffers from shortages of skilled nursing personnel. In 1995, the Territory had 20 doctors, 57 registered nurses, 32 nursing assistants, 4 pharmacies, 6 environmental health officers and 2 solid waste managers. The territorial Government has expressed its interest in the introduction of a national health insurance scheme to contribute to the financing of health care for its residents. In the meantime, the Department of Health has been formulating plans for new health centres in different communities and strengthening the existing centres.

C. Crime and crime prevention

17. Information on crime and crime prevention is contained in the 1995 working paper prepared by the Secretariat (see A/AC.109/2017, paras. 52-54).

V. Educational conditions

18. Education in the Territory continued to be free and compulsory for all children between 5 and 14 years of age. The territorial Government maintained as its priority the strengthening of the educational system. There are 18 public and 11 private primary schools on four islands: Tortola, Anegada, Virgin Gorda and Jost Van Dyke. There are two public high schools, one private high school and the Community College at Road Town.

VI. Participation in regional organizations and arrangements

19. The British Virgin Islands is an associate member of the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Economic Commission for Latin America and the Caribbean (ECLAC) and its subsidiary bodies, including the Caribbean Development and Coordination Committee. The Territory is an associate member of the Caribbean Community (CARICOM) (see for details A/AC.109/2017, paras. 58-60).

VII. Future political status of the Territory

A. Position of the territorial Government

20. Information on the position of the territorial Government is contained in previous working papers prepared by the Secretariat (A/AC.109/1180, paras. 26-28 and A/AC.109/2017, para. 61).

B. Position of the administering Power

21. Information on the position of the United Kingdom of Great Britain and Northern Ireland on the future status of the Territories under their administration is contained in document A/AC.109/2075, paras.34-36.

C. Action by the General Assembly

22. On 27 March 1997, the General Assembly adopted, without a vote, resolution 51/224 B, section IV of which concerns the British Virgin Islands.

Notes

[1] Information contained in the present working paper has been derived from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 *e* of the Charter of the United Nations on 6 May 1997.

United Nations A/AC.109/2083

General Assembly

Distr.: General
20 May 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Falkland Islands (Malvinas)

Working paper prepared by the Secretariat

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I. General

1. The Falkland Islands (Malvinas),[1] which is administered by the United Kingdom of Great Britain and Northern Ireland, comprises two large islands, known as East and West Falkland, as well as some 200 smaller islands and has a total area of about 12,173 square kilometres. The Territory is situated in the South Atlantic, about 770 kilometres north-east of Cape Horn and about 480 kilometres east of the South American mainland. South Georgia, located about 1,300 kilometres south-east of the Falkland Islands (Malvinas) group, and the South Sandwich Islands, located about 750 kilometres east-south-east of South Georgia, are administered from the Falkland Islands (Malvinas) as a separate Territory; the Governor of the Falkland Islands (Malvinas) acts as Commissioner for South Georgia and the South Sandwich Islands.

2. According to the territorial census report of 1996, the total number of the persons permanently residing in the Territory in 1996 was 2,081.

II. Constitutional and political developments

A. Constitution and Government

3. Detailed information on the Constitution and Government of the Territory is contained in previous working papers prepared by the Secretariat (A/AC.109/835 and Corr.1, paras. 4-39; A/AC.109/2027 and Corr.1, paras. 3-4 and A/AC. 109/2048, paras. 3-4). It will be recalled that the Constitution Order of the Territory stipulates, *inter alia,* that "whereas all peoples have the right of self-determination and by virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development and may, for their own ends, freely dispose of their natural resources without prejudice to any obligations arising out of international economic cooperation, based upon the principle of mutual benefit and international law; and whereas the realization of the right of self-determination must be promoted and respected in conformity with the provisions of the Charter of the United Nations".

B. Political developments

4. In December 1996, the Prime Minister of the United Kingdom addressed the following Christmas message to the people of the Territory:

> "As you and your families gather together this Christmas Eve, I wanted to send you, from a rather cold and wintry London, my very best wishes for your Christmas celebrations.
>
> "At regular intervals over the last twelve months, I have read of your doings with much interest, from the matters of high politics to the remarkable success of your Fighting Pigs band on their tour to Santiago.
>
> "One of the issues that has, I know, been greatly preoccupying you is how best the Islands should approach the prospect of commercially exploitable oil reserves being discovered around your shores.
>
> "Oil exploitation will in itself bring great opportunities, as the North Sea fields have brought to Britain. I hope that oil will prove to ensure your Islands' prosperity for many years to come.
>
> "It will bring challenges, too, of course. Some of you, I know, are nervous about the implications - for the environment and for your traditional way of life. I understand these fears. We have had to face in many ways similar challenges. But I believe they can be surmounted.
>
> "I know too how important fishing remains for your prosperity. It seems to me that one of the priorities for 1997 should be to make progress on an agreement with Argentina to assure the fish stocks in the south-west Atlantic.
>
> "This time last year, I referred to the meeting I had had with President Menem in New York and I spoke a little about the background to our improved relations with Argentina.
>
> "We continue to seek a stable and productive relationship with Buenos Aires, not just because of the interests which Britain and Argentina have in common, but because — as you have repeatedly told us — that it is in your interests too, as the progress on oil exploration has shown.
>
> "But let me repeat an assurance to you too. Our developing relationship with Argentina will not be at the expense of Britain's unchanging commitment to the Falkland Islands.

"You have the right to live under the flag of your choice and we shall continue to ensure that you enjoy that right and enjoy your security.

"Meanwhile, you all remain much in our thoughts. The Falklands Islands may be far from Britain in miles, but you are and will remain close to our hearts. Your concerns are our concerns and I attach importance to our remaining in very close touch as we pursue these together.

"Most immediately, the Defence Secretary, Michael Portillo, will be with you in January. I hope that you will let him know of your concerns and I look forward to hearing his impressions.

"I wish you a very Happy Christmas and a peaceful, happy and prosperous New Year."

5. On 3 January 1997, the Government of Argentina issued the following press release:

"On 3 January 1833, British forces invaded the Malvinas Islands and evicted its population and the Argentine authorities stationed here. On the 164th anniversary of this illegal and illegitimate occupation, the Government and people of Argentina once again reaffirm the Argentine Republic's right to sovereignty over the Malvinas, South Georgia and South Sandwich Islands and the maritime spaces surrounding them.

"The Government of Argentina reiterates its willingness to enter into dialogue and negotiations with the aim of achieving a peaceful, just and lasting solution to the dispute over these territories, in accordance with the resolutions of the United Nations and with international law, which is the cornerstone of civilized coexistence at the threshold of the twenty-first century.

"It therefore reiterates its intention to move forward in its dialogue with the United Kingdom with the aim of building a relationship of mutual confidence and arriving at new understanding in the south-western Atlantic.

"Finally, the Government of Argentina reaffirms the national commitment, which is enshrined in its Constitution, to respect the way of life of the inhabitants of the Malvinas Islands and proposes the restoration of communication and cooperation between the Islands and continental Argentina, as a means of contributing to a better understanding of the inhabitants of the region."

6. In January 1997, the then United Kingdom Secretary of State for Defence, Mr. Michael Portillo, visited the Territory. In a statement made at Stanley on 2 January 1997, he, *inter alia*, stated the following:

"This Government's policy on the Falkland Islands, from the time of the conflict nearly 15 years ago to the present day, is the pre-eminent example of our belief that people must be able to choose their own future, without fear of oppression. The Government is committed to defending the Islands and maintaining their security. There is no caveat, exception or time limit to that commitment.

"Our interest in South Atlantic is tangible and permanent and we shall wish to broaden and deepen our ties with the countries of the region, based on the clarity of our position regarding the sovereignty of the Islands ..."

7. At a press conference given in the Territory during that visit, Mr. Michael Portillo, *inter alia*, said:

"...There will be no reneging on our commitment to the Falkland Islands ... That commitment is that sovereignty is not negotiable and the security of these Islands are a primary responsibility ...

"... For the avoidance of doubt let me say again that we are not prepared to discuss sovereignty let alone share it ..."

III. Mine clearing

8. Information under this section is contained in the 1996 working paper prepared by the Secretariat (A/AC.109/2048, para. 10).

IV. Economic conditions

A. Public finance

9. According to the administering Power, in the financial period 1995/1996/1997 the estimated total revenue was £36,198,450 and the estimated total expenditure was £38,365,010. A breakdown of the revenue by type is as follows: fishing licences and trans-shipments, £16,712,200; investments, £5,973,840; taxes and duties, £2,965,000; sales of goods and services, £5,491,890; fines and licences, £98,550; capital revenue, £4,43,600; and miscellaneous, £13,400. Expenditure included the following: staffing costs,

£8,809,180; vehicle costs, £286,190; internal transfers, £2,176,770; other operational costs, £10,035,670; and capital expenditure, £17,114,170. Capital expenditure in the 1995/1996 financial year included the following: loans and investment, £1,615,000; plant and vehicles, £2,070,600; roads, £3,324,600; housing, £528,000; government buildings and lands, £1,329,800; municipal services £1,065,000; air transportation, £386,350; consultancies, £1,135,000; department capital assets, £556,510; fund transfers, £1 million; and transfer payments, £3,762,310.

B. Agriculture, land tenure and livestock

10. During the years 1980-1996, the territorial Government implemented its farms subdivision programme. As a result, previously very large farms have been subdivided and sold to local farmers. Thus, the number of farms increased from 36 in 1980 to 86. Another result of the subdivision programme was the transfer of majority foreign land ownership to the islanders. During 1980-1996, the ratio of foreign land ownership in the Territory decreased from 76 per cent to 1.23 per cent respectively. Foreign land ownership currently comprises the Pebble and Keppel Islands.

11. The Department of Agriculture continues to be responsible for this sector of economy. The agricultural grant scheme was completed in June 1995 and was replaced by the rural development assistance scheme with emphasis on diversification and development-related initiatives. In 1995/1996, the budget of the Department totalled £552,000. The Department has developed a multidisciplinary approach to assistance to the landholders. Specialists in agronomy, sheep husbandry and veterinary services, as well as an agricultural economist, assist farm management and, in particular, provide support to new farmers.

12. During the period under review, sheep ranching continued to be the main industry of this sector of economy. In 1996, the number of sheep was £638,116 and the gross volume of raw wool sales totalled £3,504,252. Stock improvement continues to be pursued through careful selection, introduction of new genetic material, encouragement of new and improved sheep ranching practices and pasture improvement.

C. Fisheries

13. Squid, including *Loligo* and *Illex*, are the mainstay of the territorial fisheries and economy. In 1996, the total catch of all species was 194,895 tonnes, including 79,803 tonnes of *Illex* and 61,360 tonnes of *Loligo*.

14. The Fisheries Department continues to supervise all activities in that industry. Scientific activities of the Department included routine monitoring of all commercial fish stock. In cooperation with Stevedore and Fishery Services, Ltd., and their Spanish partners, a deep water areas exploration project was undertaken. As a result, several species were recorded in the area and certain future commercial opportunities were identified. A squid research project was conducted together with scientists from the British Antarctic Survey and from Australia. Territorial Government expenditure on fisheries in 1995/1996 amounted to £3.9 million. Fisheries protection and aerial surveillance accounted for 67 per cent of the total expenditure, with a further 19 per cent assigned directly to support scientific research on *Illex* and *Loligo*, commercial finfish species and stock assessment techniques.

15. The number of local companies operating in the fisheries sector continued to grow. There was an increase in the number of fishing vessels registered locally.

16. Revenues from fishing licence allocations to foreign companies continued to be a major source of economic welfare of the Territory. In 1995, 263 fishing licences were allocated to foreign companies, producing a total revenue of £19,847,893. In 1994, £247,500 revenue originated from 192 trans-shipping/reefer licences issued by the Department. Among the countries licensed to fish in the islands' waters were Chile, France, Honduras, Italy, Japan, Panama, Poland, Portugal, the Republic of Korea, Spain and the United Kingdom.

17. The twelfth meeting of the South Atlantic Fisheries Commission concluded its work on 27 November 1996 at Buenos Aires. The following joint statement of the Commission was issued on the same day:

> "1. The Twelfth Meeting of the South Atlantic Fisheries Commission took place in Buenos Aires on 26 and 27 November 1996. The British delegation was led by the Head of the South Atlantic and Antarctic Department, Mr. Tony Longrigg, and the Argentine delegation was led by the Legal Adviser, Ambassador Orlando Rebagliati. The meeting took place in a friendly and constructive atmosphere.
>
> "2. The British and Argentine delegations agreed that there applied to this meeting and its consequences the formula on sovereignty over the Falkland Islands, South Georgia and the South Sandwich Islands and the surrounding maritime areas

agreed by the British and the Argentine Governments in paragraph 2 of the Joint Statement issued in Madrid on 19 October 1989.

"3. The South Atlantic Fisheries Commission welcomed the reports of the Scientific Subcommittee on its seventh and eighth meetings, which were held, respectively in London on 8 and 9 July 1996 and in Mar del Plata on 21 and 22 November 1996. It took note of the cooperation between the Instituto Nacional de Investigación y de Desarrollo Pesquero (INIDEP) and the Imperial College and of the progress made on joint research. The Commission expressed its satisfaction at the progress made by the Subcommittee in terms of the organization of future joint work and agreed to recommend to their Governments the Subcommittee's proposals.

"4. Both delegations expressed their commitment to the conservation of fish stocks in the South Atlantic and agreed to recommend to their Governments the continuation of cooperation to reach a greater level of scientific understanding of the most significant off-shore species in its area of cooperation. To help achieve this objective, and as in previous years, a joint research cruise will take place in 1997 to evaluate the level of the *Illex* squid stock.

"5. The delegations recalled their request in 1995 that the Institute and the Imperial College should discuss mechanisms to improve the early warning system for *Illex*. The Commission also noted that significant progress had been made and agreed to recommend to Governments improvements proposed by the Subcommittee, among them the need for real-time exchange of data for vessels involved in the *Illex* fishery. The Commission agreed to recommend to Governments that they should make every effort to ensure that the level of *Illex* spawning stock biomass at the end of the 1997 season should be at least 40,000 tonnes.

"6. The Commission noted the concerns expressed by the Subcommittee on the status of southern blue whiting stock and the uncertainties over methodology which have emerged in its scientific evaluation. In this context the Commission agreed to recommend to Governments that joint research on this species should be intensified.

"7. The Argentine delegation referred to the concern of its Government at the situation created by the decision with respect to the area to the west of the area described in the annex to the joint statement of 28 November 1990. It expressed the hope that this subject would be duly treated to resolve the situation. The British delegation stated its position.

"8. The two sides will maintain contact through diplomatic channels to agree on the place and date of the next meeting of the Commission."

D. Tourism

18. During the 1994/1995 financial year, 35 cruise ships carrying 5,650 passengers visited the Territory. The number of air passenger arrivals was 7,025.

E. Oil

19. The second meeting of the South-West Atlantic Hydrocarbons Commission concluded its work on 10 December 1996 in London. The follow-up joint statement of the Commission was issued on the same date:

"1. The second meeting of the South-West Atlantic Hydrocarbons Commission took place in London on 10 December 1996. The British delegation was led by Mr. William Marsden, Director of the Americas Command at the Foreign and Commonwealth Office, and the Argentine delegation by Ambassador Alberto Daverede, Under-Secretary for Foreign Policy at the Ministry of Foreign Affairs, International Trade and Worship. A meeting of the Subcommittee for the Special Cooperation Area took place on 9 December.

"2. The British and Argentine delegations agreed that there applied to the meeting and its consequences the formula on sovereignty over the Falkland Islands, South Georgia and the South Sandwich Islands and the surrounding maritime areas, set out in paragraph 1 of the Joint Declaration of 27 September 1995.

"3. The Joint Commission expressed satisfaction at the progress made by its Subcommittee in working out arrangements for a licensing round in the Special Cooperation Area. It endorsed the agreement that had been reached on the configuration of tranches, the approach to taxation and guidelines on the regulatory framework.

"4. The Joint Commission gave particular consideration to issues related to the protection of the marine environment of the south-western Atlantic and

to the development of a joint strategy for the management of environmental, health and safety matters.

"5. The Joint Commission confirmed the Subcommittee's recommendation that the two Governments allow airborne and seismic surveys of the Special Cooperation Area to be carried out. Two applications have so far been received. The Joint Commission agreed to coordinate the issue of corresponding, non-exclusive licences by Governments. They would aim to do this to allow the first survey to begin in February 1997. The results should then be available by mid-1997.

"6. The Joint Commission confirmed that they would aim for the launch of the licensing round in the Special Cooperation Area by the end of 1997. It noted that work would have to be intensified to realize this objective. The Joint Commission recommended that, in particular, work on the details of the invitation to companies to apply for licences in the Special Cooperation Area should be tackled as a priority. Discussion on this topic will be continued at the next meeting of the Subcommittee in Buenos Aires in March 1997.

"7. Both sides discussed ways of cooperating over the promotion of the exploration for and exploitation of hydrocarbons in the maritime areas of the south-west Atlantic subject to a controversy on sovereignty and jurisdiction and the use of existing infrastructure. They agreed to pursue arrangements for an oil sector mission to the region to consider areas of cooperation in the development of hydrocarbons in the south-west Atlantic. The cooperation should be guided by commercial criteria in line with the Joint Declaration of September 1995.

"8. The Joint Commission was pleased with the significant progress that had been made since their last meeting. Joint work was going forward in a cordial and constructive atmosphere. The next meeting of the Joint Commission is planned for Buenos Aires in the first half of 1997."

F. Transport, communications and other basic facilities

20. Detailed information on transport, communications and other basic facilities is provided in the previous working papers prepared by the Secretariat (A/AC.109/1198, paras. 65-70; A/AC.109/2027, paras. 32-33 and A/AC.109/2048, paras. 27-33).

21. During the period under review, the Civil Aviation Department carried out a survey of the pavement surfaces at the Stanley Airport and is currently concentrating its efforts on completing slurry-sealing of the runway and clearing of the drainage system. Routine maintenance and surveys of the territorial camp airstrips continued. The chief inspector of aviation security from the United Kingdom visited the Territory in March 1995 to review aviation security in the Islands.

22. The Falkland Islands Broadcasting Service continued to provide programming within the 24-hour-a-day service agreed upon with the British Forces Broadcasting Services.

23. The Media Trust continued to be responsible for the *Penguin News*, a territorial weekly newspaper, and concentrated its efforts on further improvement in the quality of the publication.

24. The Philatelic Bureau was restructured, emphasis being placed on quality of design and increased publicity to encourage worldwide collection of the territorial stamps.

25. During the period under review, the Government of Argentina maintained its position that the restoration of communications between the mainland and the Falkland Islands (Malvinas) continued to be a primary objective, since improved links would produce commercial and economic benefits for the entire region by creating the necessary framework for achieving greater understanding between the inhabitants of the region and for serving their interests (see also A/AC.109/2048, para. 32).

G. Banking

26. The Standard Chartered Bank of the United Kingdom has been operating in Stanley since 1983. Both United Kingdom and local coinage are used, together with local currency notes.

H. Public works

27. During the period under review, the Public Works Department completed the following projects: construction of North Camp Rural Road to Port San Carlos; building of dwellings at West Stanley; and the rebuilding of the Moody Brook dam. Construction of a road from Port Howard to Fox Bay is nearing completion. In 1995, the Department published a draft town plan for Stanley. The projects of the

Department for 1996 include upgrading of main rural roads, construction of additional classrooms, a new hall at the Stanley junior school and development of the East Stanley area.

V. Social conditions

A. General

28. According to the administering Power, during the period under review, there have been no complaints of discrimination on the basis of race or religion. There have been no problems in cultural relations. The Territory observes the principles contained in the Universal Declaration of Human Rights. The provisions of the European Convention on Human Rights have been extended to the Territory by the United Kingdom. The extension of that Convention includes the right of an individual who alleges that his human rights have been transgressed and who has exhausted all other remedies to petition the European Court of Human Rights. Further, the United Kingdom has extended the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights to the Islands and observes the regular reporting procedures under these instruments. As in the United Kingdom, the European Convention and the International Covenants do not in themselves have the force of law in the Territory. However, the rights provided by them are protected by the Constitution and the provision of safeguards within the laws applying to the Islands, distinct from, but in conformity with, the Covenants. The common law of the United Kingdom applies in the Falkland Islands (Malvinas) except insofar as it is inconsistent with any enactment of the law applying to the Falkland Islands.

29. There is no discrimination on the basis of sex in the implementation of articles 2 and 3 of the International Covenant on Civil and Political Rights. The Convention on the Elimination of All Forms of Discrimination Against Women has been applied by the United Kingdom to the Falkland Islands (Malvinas) with the agreement of the Territorial Government. The second report required under the terms of that Convention in relation to the Falkland Islands (Malvinas) has been submitted by the United Kingdom Government to the United Nations in accordance with the terms of the Convention.

B. Public health

30. According to the administering Power, the general state of health and nutrition of the population and the standard of medical care in the Territory are similar to those in North America and Europe. The principal causes of death are carcinomatosis, ischaemia and respiratory infection of the aged.

31. Medical and dental care as well as medications are free to all residents of the Territory and all United Kingdom citizens. A medical services levy is paid by every resident of the Territory as follows: employed persons, 1 per cent of their salary; employers, 1.5 per cent of the salary of each employee; and self-employed persons, 1.5 per cent of their net profit.

32. The territorial Medical Department is responsible for the supervision of public health services. The Department's total expenditure in the 1993/1994 financial year was £1,947,420. There is no private system of medical care. All medical services in the Territory are based at the King Edward VI Memorial Hospital at Stanley. The hospital has 28 beds, including two maternity and two intensive-care beds. The hospital has the facilities to deal with all acute medical and surgical conditions. Cases requiring specialist facilities are referred to the United Kingdom or to Uruguay for emergency.

C. Social security and welfare

33. There are contributory and non-contributory old age pension schemes. There is no provision for payment of a disability pension, but there is a system of social welfare grants and pensions to deal with cases of hardship and disability. Social welfare expenditure in the 1994/1995 financial year was approximately £40,500.

D. Housing

34. In cooperation with the administering Power, the territorial Government completed a programme of "general needs" housing construction and is now concentrating on the provision of single-person housing and serviced plots for self-builders.

VI. Educational conditions

35. During the period under review, both Stanley schools and camp education had a full complement of teachers. The school curriculum is reported to be up to date. Thirteen students gained sufficient grades to qualify for overseas training. The compulsory schooling age was raised to 16 years, bringing that indicator into line with world standards. Progress in upgrading books and reference materials in the community library was also reported.

VII. Other developments

36. On 22 January and 20 February 1997, two groups of next-of-kin of Argentine casualties of the 1982 conflict, buried in the Falkland Islands (Malvinas), visited the Territory. The arrangements for those visits of a humanitarian nature took place following discussions between the Argentine and the British sides. During the visits, the groups, consisting of 15 persons each, visited the cemetery where the Argentine casualties are buried and attended religious services.

VIII. Participation in international organizations and arrangements

37. The Government of the Falkland Islands (Malvinas) participates in activities of the Commonwealth and is a member of the British Dependent Territories Association. It also takes part in the work of multilateral organizations concerned with the exploitation and preservation of marine resources in the South Atlantic.

IX. Consideration by the United Nations

A. Special Committee on the Situation with Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

38. The question of the Falkland Islands (Malvinas) was considered by the Special Committee at its 1457th meeting, on 22 July 1996. At the same meeting, the Committee heard Councillor E. M. Goss and Councillor R. J. Stevens, of the Legislative Council of the Falkland Islands (Malvinas), as well as Mr. Luis Gustavo Vernet, Mr. Ricardo Ancell Paterson and Mr. Pablo Betts. Also at the same meeting, the Special Committee acceded to the requests of the delegations of Argentina and Brazil to participate in the consideration of the item.

39. At the 1457th meeting, the Minister for Foreign Affairs, International Trade and Worship of Argentina made a statement reiterating the position of his Government on the issue, in which, *inter alia*, he said the following:

> "... It has been precisely defined that, regarding the Malvinas Islands issue, there is, in the first place, a sovereignty controversy over the Territory. In the second place, that in this controversy, from the legal point of view, there are only two parties: Argentina and the United Kingdom.
>
> "In the third place, that the solution to this controversy should come out of negotiations between both Governments as the only way to end the colonial situation, which discards the possibility of applying the right to self-determination, in this case ... we trust that the United Kingdom, in response to numerous appeals from the international community, will accept to return to the negotiating table where civilized nations settle their differences.
>
> "... To the inhabitants of the Islands, we ask that they do not remain indifferent to the positive evolution and our attitude towards them. We renew to them our commitment contained in our national Constitution, to preserve their way of life ..."

40. At the same meeting, the representative of Brazil, on behalf of the States members of the Southern Cone Common Market (MERCOSUR) (Argentina, Brazil, Paraguay and Uruguay) and also on behalf of Bolivia and Chile, read out the "Declaration on the Malvinas" adopted at the meeting of the Presidents of MERCOSUR on 25 June 1996 (see A/AC.109/SR.1457 and para. 46 below).

41. At the same meeting, the representative of Chile on behalf also of Cuba, Papua New Guinea and Venezuela, introduced draft resolution A/AC.109/L.1844. Following statements by the representatives of Cuba, Venezuela and Afghanistan, the Special Committee adopted draft resolution A/AC.109/L.1844 without a vote. Also at the same meeting statements in explanation of their positions were made by representatives of Papua New Guinea, Trinidad and Tobago and Sierra Leone.

42. On 1 August 1996, the text of resolution A/AC.109/2062 was transmitted to the Permanent Representative of the United Kingdom of the Great Britain

and Northern Ireland and to the Permanent Representative of Argentina to the United Nations for the attention of their Governments.

B. General Assembly

Position of the Government of Argentina

43. During the General Debate at the fifty-first session of the General Assembly, the Minister for Foreign Affairs, International Trade and Worship of Argentina, in the course of his statement at the 4th plenary meeting on 22 September 1996, reiterated the position of his Government as follows:

> "...There is still an important unresolved issue: the persistent sovereignty dispute over the Malvinas, South Georgia and South Sandwich Islands and their surrounding maritime spaces.
>
> "During these last six years, I have come to this forum to voice the claims of the Government and people of Argentina in their sovereignty dispute over the Malvinas Islands.
>
> "It is incomprehensible that while Argentina and the United Kingdom have overcome the sorrow and have left behind their mutual disagreements and distrust and built up a harmonious and constructive relationship — and we see the positive results of this day by day — they have not so far been able to comply with the resolutions of the General Assembly and of the Decolonization Committee and to progress in the dialogue towards a definitive solution to this dispute. We have not even been able to sit down together around a table to talk, even if only to express our disagreement.
>
> "In the same spirit that encouraged our two countries to cooperate in the South Atlantic for the protection of its renewable and non-renewable resources, we should advance in our search for a peaceful solution to this dispute.
>
> "In spite of our efforts, the lack of direct links with the Malvinas impedes human contacts, trade and tourism, among other possible exchanges, and has slowed down the economic and cultural development of the South Atlantic. The lack of relations between the two areas is inconceivable in today's world.
>
> "Argentina is proud of its great cultural diversity. Since the birth of our nation, our laws have preserved and guaranteed such cultural heritage. Our national Constitution establishes the objective of recovering the Malvinas Islands and the full exercise of sovereignty, and ensures respect of its inhabitants' way of life. The only thing lacking is the will to start a new phase together.
>
> "Argentina is firmly convinced that a new era should begin in the South Atlantic, as an area free from tensions — a place where different cultures committed to humanistic ideals and with a common wish for progress and well-being may come together."

44. That position was reaffirmed by the representative of Argentina in a statement made in exercise of the right of reply to the statement by the representative of the United Kingdom (see para. 45 below) at the 5th plenary meeting of the fifty-first session of the General Assembly on 23 September 1996.

Position of the administering Power

45. In his statement at the 5th plenary meeting of the General Assembly, the Secretary of State for Foreign and Commonwealth Affairs of the United Kingdom made no reference to the question of the Falkland Islands (Malvinas). However, speaking in exercise of the right of reply to the remarks of the Foreign Minister of Argentina (see para. 44 above), the representative of the United Kingdom made the following statement:

> "... I would like to say a few words today in response to the remarks made by the Foreign Minister of Argentina concerning the Falkland Islands. We were glad that the Foreign Minister again referred to the increasing cooperation between the United Kingdom and Argentina, which characterizes our bilateral relationship. My Government sincerely hopes that the progress which has been achieved will be built on and further developed. But my Government does not accept the Foreign Minister's remarks about sovereignty. We have no doubt about Britain's sovereignty over the Falkland Islands and the other British territories in the South Atlantic.
>
> "In the Falkland Islands we must heed the wishes of the people. Many families trace their ancestry in the Falklands back for five or six generations. The elected representatives of the islanders, some of whom visited the United Nations for the debate in the Committee of 24 last July, have expressed their views clearly and on many occasions. They have stated their belief in their right to self-determination to live under a Government of their choice and, as a democratic voice of the Falkland Islands people, they have reiterated their view that they do not want to be part of Argentina.

"Despite our differences with Argentina on the subject of sovereignty, we are continuing a constructive dialogue with the Government of Argentina on, for example, hydrocarbons development and fisheries in the South Atlantic. A further round of talks at the official and ministerial level aimed at making further progress on these and other issues will take place in New York this week. We value these practical steps to develop United Kingdom-Argentine cooperation benefiting the Islands. We hold these discussions while maintaining our position regarding the issue of sovereignty over the Falklands."

Contribution by other Member States

46. On 9 July 1996, the Permanent Representative of Brazil to the United Nations addressed a letter to the Secretary-General (A/51/205) transmitting the Declaration of the Presidents of the States members of the Southern Cone Common Market (MERCOSUR) and the Presidents of Bolivia and Chile, on the question of the Falkland Islands (Malvinas), and requested that it be circulated under item 49 of the provisional agenda of the General Assembly.

47. During the general debate on decolonization items in the Special Political and Decolonization Committee (Fourth Committee), the representative of Bolivia, on 10 October 1996, speaking on behalf of the Rio Group (Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Peru, Uruguay and Venezuela), expressed a hope that the positive evolution by the bilateral relations between the Governments of the Argentine Republic and the United Kingdom of Great Britain and Northern Ireland would allow to find a peaceful and lasting solution to the question of sovereignty over the Falkland Islands (Malvinas), South Georgia and South Sandwich Islands in conformity with the relevant resolutions of the United Nations General Assembly and Special Committee on Decolonization (see A/C.4/51/SR.5).

48. At the same meeting, the representative of Brazil, referring to the question of the Falkland Islands (Malvinas), recalled the Declaration by the Presidents of the MERCOSUR countries, as well as Bolivia and Chile, adopted at their tenth meeting (A/51/205), and reiterated that position. The representative of Uruguay, in a statement on 9 October 1996, also referred to the question of the Falkland Islands (Malvinas) (A/C.4/51/SR.4).

49. Speaking in the exercise of the right of reply on 9 and 10 October 1996, the representative of the United Kingdom referred to the statements made by the representatives of Bolivia, Brazil and Uruguay, expressing the wish that a solution should be found to the sovereignty dispute over the Falkland Islands, South Georgia and South Sandwich Islands. He said that the position of the United Kingdom was well known and had been set out most recently in its exercise of the right of reply in connection with the statement made to the General Assembly by the Argentine Minister for Foreign Affairs on 22 September 1996.

Action by the General Assembly

50. On 25 October 1996, at its 41st plenary meeting, the General Assembly decided to defer consideration of the item entitled "Question of the Falkland Islands (Malvinas)" and to include it in the provisional agenda of its fifty-second session (decision 51/407).

Notes

[1] The information contained in the present paper has been derived from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 *e* of the Charter of the United Nations on 24 March 1997, as well as from the official documents of the Government of Argentina.

United Nations A/AC.109/2084

General Assembly

Distr.: General
21 May 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Gibraltar

Working paper prepared by the Secretariat

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I. General

1. Gibraltar[1] is a narrow peninsula extending southward from the south-west coast of Spain, to which it is connected by an isthmus about 1.6 kilometres long. The Spanish port of Algeciras lies 8 kilometres across the bay to the west; the continent of Africa is situated 32 kilometres across the Strait of Gibraltar to the south. According to the United Kingdom of Great Britain and Northern Ireland, the area of Gibraltar is 5.86 square kilometres, and according to Spain it is 4.8 square kilometres.

2. According to the latest census of Gibraltar, taken on 14 October 1991, Gibraltar's civilian population in 1991 was 28,074, consisting of 20,022 Gibraltarians, 5,182 other British subjects, including families of British servicemen stationed in Gibraltar, but excluding servicemen, and 2,870 aliens.

II. Political developments

A. General

3. Detailed information on the Territory's Constitution and Government, public service and other related developments is contained in the 1994 working paper prepared by the Secretariat (A/AC.109/1195).

B. General elections

4. It will be recalled that the last general elections were held in Gibraltar on 16 May 1996. According to the administering Power, 88 per cent of the registered voters participated in the elections. The results were as follows: the Gibraltar Social Democratic Party, 52.2 per cent; the Gibraltar Socialist Labour Party, 43.0 per cent; and the Gibraltar National Party, 4.7 per cent. Consequently, the Gibraltar Social Democratic Party won eight seats in the Territorial Legislative Assembly and the Gibraltar Socialist Labour Party obtained seven seats. Mr. Peter Caruana, the Gibraltar Social Democratic Party leader, obtained 8,561 votes and was appointed Chief Minister of Gibraltar.

C. Recent developments

5. The following information on the Gibraltar garrison review was issued by the administering Power on 17 April 1997:

"The Commander of British Forces, Major General Simon Pack, today announced that 500 previously planned reductions in posts would not now go ahead.

"The findings of the Review of the Gibraltar Garrison announced in July 1994, indicated that the locally employed civilian workforce would need to be halved, to 700, by the turn of the century and that 350 posts of the remaining workforce would be subject to 'competing for quality'.

"Subsequent developments, and a decision to retain certain functions in house, mean that a greater number of locally employed civilian posts will now be required: 1,000 by the turn of the century. Only 300 further reductions are therefore required as 100 posts have already gone through natural wastage. The Commander of British Forces, in announcing this good news, commented that the long lead time for the reductions should enable most of the job losses to be achieved through natural wastage and voluntary early retirement or voluntary redundancy.

"The Commander of British Force is also pleased to announce that the Ministry of Defence will shortly be discussing an improved early retirement package with the trades unions to cover the period of draw-down. This should increase further the attractiveness of the option of early retirement for staff over 50.

"Close cooperation continues with the Government of Gibraltar and the trade unions on these encouraging developments."

III. Economic conditions

A. General

6. Gibraltar has no known natural resources and lacks agricultural land. The industries, trades and services in the Territory are involved mainly in supplying the needs of its population and of the large number of visitors to the Territory. The economy of Gibraltar is largely dependent on tourism and the provision of financial services such as banking, insurance, shipping and portfolio management.

7. According to the administering Power, in 1993/94 the Territory's per capita gross domestic product (GDP) and gross national product (GNP) were estimated at £10,881 and £11,331 respectively.

B. Public finance

8. The report of the administering Power indicates that in 1995/96, revenue totalled £71.9 million and expenditure amounted to £53.1 million, compared with £68.5 million and £50.4 million respectively in 1994/95.

9. As of 31 March 1996, the public debt of Gibraltar stood at £64.9 million, compared with £99.3 million as at 31 March 1995.

10. Income tax is charged on income arising in, derived from or received in Gibraltar. Dividends, interest, pension and emoluments of office accruing in, derived from or received in any place outside Gibraltar by an individual ordinarily resident in Gibraltar are also chargeable. The rates applicable to individual residents in Gibraltar range from 20 per cent on the first £1,500 of taxable income to 50 per cent after the first £19,500.

C. Trade

11. In 1996, the total amounts of imports and exports were £500 million and £200 million, respectively. Over one third of Gibraltar's non-fuel imports originate from the United Kingdom. Other sources of imports include the Netherlands, Japan and Spain. Exports of goods of local origin are negligible. Exports consist mainly of re-exports of petroleum and petroleum products supplied to shipping.

D. Banking and finance

12. In 1996, there were 26 banks authorized to conduct banking business in Gibraltar.

13. The number of companies registered under the Companies (Taxation and Concession) Ordinance dropped from 13,171, as of 31 December 1994, to approximately 8,000 as of 31 December 1995. Companies registered under the Ordinance are exempted from the payment of income tax. The exemption covers dividends, interest, directors' fees and annual payments made to non-residents. Shares and debentures held in an exempt company are not liable to estate duty. Any company operating under the Ordinance must not carry on trade or business in Gibraltar and no Gibraltarian or resident of Gibraltar must have any beneficial interest in the company's shares.

E. Transportation, communications and utilities

14. The total mileage of roads in the Territory is 26.75 miles. The roads are reported to be in good condition and suitable for vehicular traffic. Five bus routes serviced by 17 buses maintain communication in the Territory. The total number of vehicles registered as at 31 December 1996 was 27,147.

15. In 1996, a total of 67,000 persons arrived in the Territory by air and 134,000 by sea.

16. Air mail is dispatched to London and via London to all destinations worldwide, six times a week in direct flights. Surface mail to and from the United Kingdom is received and dispatched five times a week. In 1996, eight commemorative sets of stamps were issued in the Territory.

17. The telephone system is operated by Gibraltar NYNEX Communication, Ltd., a joint United States/Gibraltar company. In 1996, the total number of telephones was 21,466, compared with 20,574 in 1995. Voice mail services were introduced in Gibraltar in August 1994.

18. The Electricity Department is responsible for the supply of electricity in the Territory. During 1996, the maximum electricity demand was 21,900 kilowatts, and a total of 110,401,977 kilowatt-hours were generated.

F. Tourism

19. In 1995, tourist arrivals totalled 5.5 million, compared with 4.2 million in 1994. During 1995, the hotel arrivals increased by 21 per cent compared with 1994.

IV. Social and educational conditions

A. Labour

20. In 1996, the total number of employees in Gibraltar was 13,000 and the number of unemployed was 1,800; these figures compare with 12,702 and 352 respectively in 1995.

21. In 1995, average weekly earnings in the Territory amounted to £233.32, compared with £220.78 in 1994.

22. Legislation regulating labour and employment conditions in the Territory is reported to be in line with European Union (EU) directives. The Trade Unions and Trade Disputes Ordinance of Gibraltar contains provisions for registration and systems of organization of the unions in

Gibraltar that are similar to those in the United Kingdom. As of December 1995, there were 20 trade unions registered in the Territory.

B. Human rights and the status of women

23. The Gibraltar (Constitution) Order of 1969 guarantees the protection of the fundamental rights and freedoms of the individual and the maintenance of a Supreme Court with unlimited jurisdiction to hear and determine any civil or criminal proceedings under any law and with such jurisdiction and powers as are conferred upon it by the Constitution of Gibraltar or any other law.

24. The courts of law of the Territory consist of a Court of First Instance, a Magistrates' Court, a Court of Appeal and a Supreme Court. The substantive law of the Territory is contained in Orders in Council and enactments of the Parliament of the United Kingdom that apply to Gibraltar, as well as in locally enacted ordinances, subsidiary legislation, the common law and the rules of equity in force in the United Kingdom, so far as they are applicable to the Territory.

25. The status of women in Gibraltar, whether married or single, and with or without family responsibilities, is similar to that enjoyed by women in the United Kingdom. The Social Security (Insurance) Ordinance of Gibraltar provides for the payment of a variety of benefits and allowances to expectant mothers and widows.

C. Environment

26. The Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed in Washington in 1973, has been extended to apply to Gibraltar as a dependent Territory for which the United Kingdom, a signatory to the Convention, has responsibility. The Endangered Species (Imports and Exports) Ordinance of 1976 gave effect in the Territory to the provisions of the Washington Convention. The Animal and Birds Ordinance protects fauna in the Territory and the Heritage Trust Ordinance provides for the protection of sites of natural beauty and scientific interest.

27. According to the official Spanish sources, the Minister for Public Works, Transport and Environment of Spain, in his statements to the Congress of Deputies of Spain, raised several issues relating to Gibraltar. He, *inter alia*, referred to his preoccupation with the solid waste pollution of the Bay of Algeciras, resulting from Gibraltar; pollution of the Bay of Algeciras and Bahia as a result of ships refuelling at anchorage practised in Gibraltar; air pollution originating from the functioning of the Gibraltar waste incinerator; and environmental damage from the land reclamation programme in the Territory.

28. According to the administering Power, the United Kingdom and Gibraltar Governments are fully committed to the implementation in Gibraltar of any European Union (EU) environmental legislation that applies to the Territory and to the implementation of any obligations arising under international environmental law which are binding in Gibraltar. The administering Power also states that there is no evidence of an environmental or ecological "disaster" in the Bay of Algeciras resulting from any activity or neglect by Gibraltar. Gibraltar is the only Mediterranean territory to give strong environmental protection to all of its territorial waters (the 1991 Nature Protection Ordinance). Refuelling at anchorage, which has occurred in Gibraltar waters for many years, is a common worldwide practice. It is, for example, carried out in the Bay of Gibraltar by Spanish bunkering vessels based in Algeciras as well as vessels based in Gibraltar. Neither the Gibraltarian nor the Spanish authorities were able to trace the source of the oil spill. Gibraltar's waste incinerator was built and installed in 1992 by a Danish company. It conforms to EU norms. The Gibraltar Transport and General Workers' Union made no complaints about the incinerator. The incinerator generates electricity for desalinating water. It currently operates below capacity and the electricity generated is more expensive than if a larger volume of waste were burned. Quite apart from Gibraltar's environment protection policy, there is therefore a strong economic incentive for Gibraltar not to dump waste into the sea. The reclaimed land area in Gibraltar was constructed using rock imported from Spain, and the landfill of sand was not removed from local beaches. The extensive areas of the rare sea grass *posodonia* (protected by the EU Habitats Directive) is one indication of the health of Gibraltar's waters. The United Kingdom stands ready to discuss with Spain and Gibraltar how local cooperation can be enhanced in the notification and treatment of pollution incidents in the Bay of Gibraltar.

D. Housing

29. During the period under review, overcrowding continued to be a serious social problem in Gibraltar.

30. The Government continues to pursue a policy of increased home ownership both to alleviate the housing shortage and to reduce the burden of increasing repair and maintenance costs for its rented accommodation. During the

years 1985-1994, the level of home ownership in Gibraltar increased from 6 per cent to 25 per cent.

31. An improvement in the availability of housing was achieved as a result of the release by the Ministry of Defence of married quarters for public residential use. Over 100 residential units became available for civilian occupation.

32. As of the end of 1995, the government housing waiting list contained 568 applicants, compared with 303 as at the end of 1994.

E. Social welfare and assistance

33. The Social Security (Employment Injuries Insurance Ordinance) provides for payment of injury benefits, disablement benefit and industrial accident death benefit. In addition, free medical treatment for employment injuries and occupational diseases is provided at government hospitals.

34. The Social Security (Non-Contributory Benefits and Unemployment Insurance) Ordinance covers entitlement and payment of unemployment benefits to unemployed persons previously in employment. Payment of such benefits is financed from the weekly contributions by employers and employees to the Social Insurance (Short-Term Benefit) Fund. The standard weekly rate of unemployment benefits is £37.20 with an increase of £18.30 a week for any one dependent adult. During 1995, 609 claims for unemployment benefits were processed and 609 requests were granted.

35. The social assistance arrangements provide for a case-by-case discretionary consideration of individual need. The basic weekly rates are as follows: single person £29.10-£38.30; and married couple, £50.20-£56.30. Higher rates are paid to registered blind persons. Persons in receipt of social assistance may apply for rent relief.

36. The institutional care of the aged is undertaken by the John Mackintosh Homes, financed by a charitable trust with an annual subvention from the Government. As of the end of 1995, the Homes catered for a total of 110 persons, compared with 95 in 1995.

F. Public health

37. The Gibraltar Health Authority is responsible for providing health care in the Territory. The Authority operates a group practice medical contributory scheme and gives registered persons access to free medical treatment.

38. St. Bernard's Hospital, with a total of 103 beds, provides comprehensive out-patient services and in-patient treatment for acute medical and surgical cases. It also has a maternity section and two wards for elderly patients. The King George V Psychiatric Unit has 60 beds and provides diverse types of psychiatric treatment, including in- and out-patient services. The territorial Health Centre provides general practice medical services, including domiciliary visits.

39. A programme of visits by consultants from the United Kingdom covers specialties such as pediatric neurology, cardio-thoracic surgery and plastic surgery.

40. As of 1996, the territorial medical and health staff included the following: registered physicians, 34; nurses of senior training, 118; partially trained nurses, 204; midwives of senior training, 10; environmental health officers, 9; laboratory and X-ray technicians, 17; pharmacists, 1; and others, 87.

41. During 1995/96, total public health expenditure amounted to £20.67 million, compared with £19.9 million in 1994/95.

G. Public education

42. The Education Department continues to be in charge of public education in Gibraltar. In 1994/95 the expenditure on education totalled £11 million, compared with £10.9 million in 1994/95.

43. As of December 1996, 4,677 students were enrolled in government schools. Education is free and compulsory for all children between the ages of 5 and 15. There are 12 government primary schools, 1 private school, 1 services school and 2 secondary schools. There is also one special school that caters for 19 children with a variety of special needs.

H. Crime and crime prevention

44. The report of the administering Power concludes that the activities of Gibraltar-based fast boats and rigid inflatables have been effectively eliminated and that illicit trafficking involving Gibraltar is no longer a problem. The United Kingdom and the Gibraltar Governments are ready to cooperate with the Spanish authorities on this issue in the common regional interest.

45. The administering Power also indicates that on 5 July 1995, the Government of Gibraltar introduced the Imports and Exports (Control) Regulations prohibiting the

importation of semi-rigid inflatable vessels in Gibraltar. On the same day, regulations were also introduced under the Port Ordinance imposing new controls on the mooring of all types of small vessels. Consequently, all of the 55 rigid inflatable vessels berthed in Gibraltar were seized by the Royal Gibraltar Police and all but one have been confiscated or exported and prohibited re-entry. Of the 112 Phantom-type speed boats in Gibraltar in July 1995 only 48 remain. The Government of Gibraltar will shortly present new legislation outlawing all remaining fast boats capable of more than 30 knots in order to ensure that there be no recurrence of activity by Gibraltar-based fast boats and inflatables.

46. To deal with tobacco smuggling, on 26 July 1995, the Gibraltar Government introduced measures on applying a quota system to the distribution of American brands of cigarettes within the domestic market. This prevented large supplies from reaching the fast launches. These measures will be reinforced by new legislation imposing strict controls on the supply, distribution and transportation of tobacco within Gibraltar. In April 1996, further measures were taken under the Imports and Exports Ordinance making it an offence for any person to use a vessel in circumstances which, if they did not occur in Gibraltar, would have constituted an offence had they occurred in Gibraltar. These measures became primary law on 14 October 1996. Since May 1996, the Royal Gibraltar Police and Customs have deployed additional resources to monitor and curtail launch movements in Gibraltar waters.

47. The administering Power further indicates that Gibraltar's legislative framework has been substantially upgraded in other aspects in the fight against drug trafficking. The Drug Trafficking Offences Ordinances was introduced in 1988 and updated in March 1995 to provide for mutual legal assistance to be extended to designated countries. Both the United Nations Vienna Convention and the EU money-laundering directive 91/308 were adopted by the Government of Gibraltar in December 1994. The Government also enacted the Drug Trafficking (money-laundering) Regulations in April 1995, requiring relevant financial businesses to establish systems and training to combat money-laundering. The Gibraltar Criminal Justice Ordinance of 1995, which is in line with the United Kingdom standards, came into effect on 1 January 1996 to combat money-laundering on an all-crimes basis. The effect of these enactments has been to bring Gibraltar fully in line with EU Directives on money-laundering legislation, particularly in embracing the proceeds of all criminal conduct.

48. The report of the administering Power further states that in January 1996, a special unit, the Gibraltar Financial Intelligence Unit, headed by an official from Her Majesty's Customs and Excise, was established in Gibraltar to receive disclosures under the new Gibraltar Criminal Justice Ordinance. The United Kingdom Government funded seminars and published guidelines in Gibraltar in order to create awareness of the legislation. By the end of 1996, the Intelligence Unit had already received 186 disclosures, the majority of which came from banks and exchange bureaux which had been recognized to be particularly vulnerable. The total value of those disclosures is £30 million (average £197,000 per disclosure). Both banks and exchange bureaux complained recently that much less cash circulated in large volume in 1996 than in 1995. The bureaux reported reductions in turnover of between 25 per cent and 50 per cent. The administering Power also indicates that although the Intelligence Unit maintains contact where permissible with similar units in some other jurisdictions, there has so far been little liaison between the Unit and any equivalent organization in Spain. The Gibraltar authorities stand ready to receive and investigate any specific evidence the Spanish authorities may have on money-laundering in Gibraltar. To reinforce Gibraltar's efforts against illicit trafficking and money-laundering, the United Kingdom Government and the territorial Government have recently established the Gibraltar Co-ordinating Centre for Criminal Intelligence and Drugs under an officer seconded from Her Majesty's Customs and Excise. It occupies a central position within all the forces of law and order in Gibraltar and coordinates intelligence of both financial crime and drugs. It also has an important role in assisting in international drugs efforts. Informal cooperation between the territorial police and customs authorities works well and has made a considerable contribution to the fight against trafficking.

49. In a statement to the Foreign Affairs Commission of the Congress of Deputies of Spain, delivered on 4 December 1996, the Minister for Foreign Affairs of Spain said the following:

> "The fight against illicit trafficking continues to be one of our most important objectives. To this end we shall place special emphasis on the invisible aspects of such trafficking: tax evasion, money-laundering, financing of drug-trafficking, engaging in such trafficking and so forth. I am confident that the United Kingdom, in the context of its broad responsibilities for security and public order in the colony, will do its share in this task. The development of an economy based on lawful means, as I have noted, derives in large measure, and should do so

increasingly in the future, from income generated by the Spanish tourist industry. However, much remains to be done. The Spanish Government would like to see concerted action to give transparency to this construct of 50,000 independent companies and their legal advisers. I maintain that, more than a wish, this is an imperative prerequisite for laying a firm foundation for dialogue."

50. According to the administering Power, the United Kingdom and Gibraltar Governments believe that the extensive legislative machinery and cooperation described above are of limited use if the respective Spanish and Gibraltarian legal procedures cannot be coordinated in order successfully to prosecute criminals in the respective jurisdictions. The Gibraltar Government aims at implementing legislation that will facilitate cases of mutual legal assistance early in 1997.

51. The report of the administering Power also indicates that, with the necessary legislative infrastructure now in place, the Gibraltar authorities stand ready to cooperate with their Spanish counterparts to: identify and prosecute those behind illicit trafficking (including illegal immigration) in the region; coordinate the tracking of yacht movements in the Gibraltar area; track the movements and activities of the fast boats and rigid inflatables that have now been banned in Gibraltar; discuss with Spain ways of cooperating to stem the flow of illegal immigrants and substances from Morocco.

V. Consideration by the United Nations

A. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

52. The Special Committee considered the question of Gibraltar at its 1458th meeting, on 23 July 1996. The Special Committee heard Mr. Peter Caruana, Chief Minister of Gibraltar (see A/AC.109/SR.1458). The Special Committee acceded to the request of the delegation of Spain to participate in the Committee's consideration of the question of Gibraltar. At the same meeting, the representative of Spain made a statement in which he reiterated the position of his Government on the question of Gibraltar (see also para. 69 below).

53. At its 1458th meeting, the Special Committee decided, without objection, to continue its consideration of the question at its 1997 session, subject to any directives that the General Assembly might give in that connection at its fifty-first session, and, in order to facilitate consideration of the question by the Special Political and Decolonization Committee (Fourth Committee), to transmit the relevant documentation to the Assembly.

B. Special Political and Decolonization Committee (Fourth Committee)

54. The Special Political and Decolonization Committee (Fourth Committee) considered the question of Gibraltar at its 3rd, 4th and 8th meetings, on 7, 9 and 28 October 1996, respectively. At its 3rd meeting, on 7 October, the Committee heard Mr. Peter Caruana, Chief Minister of Gibraltar (see A/C.4/51/SR.3). At the Committee's 4th meeting, on 9 October, the representative of Spain made a statement (A/C.4/51/SR.4; see also para. 68 below). At its 8th meeting, on 28 October, the Committee adopted, without a vote, the draft decision entitled "The Question of Gibraltar" contained in document A/C.4/51/L.5 (see A/C.4/51/PV.8).

C. Action by the General Assembly

55. At its 83rd plenary meeting, on 13 December 1996, the General Assembly, on the recommendation of the Special Political and Decolonization Committee (Fourth Committee), adopted decision 51/430, without a vote, as representing the consensus of the members of the Assembly:

> "The General Assembly, recalling its decision 50/415 of 6 December 1995 and recalling at the same time that the statement agreed to by the Government of Spain and the United Kingdom of Great Britain and Northern Ireland at Brussels on 27 November 1984 stipulates, *inter alia*, the following:
>
> > 'The establishment of a negotiating process aimed at overcoming all the differences between them over Gibraltar and at promoting cooperation on a mutually beneficial basis on economic, cultural, touristic, aviation, military and environmental matters. Both sides accept that the issues of sovereignty will be discussed in that process. The British Government will fully maintain its commitment to honour the wishes of the people of Gibraltar as set out in the preamble of the 1969 Constitution',

Takes note of the fact that, as part of this process, the Ministers for Foreign Affairs of Spain and of the United Kingdom of Great Britain and Northern Ireland hold annual meetings alternately in each capital, the most recent of which took place in London on 20 December 1994, and urges both Governments to continue their negotiations with the object of reaching a definitive solution to the problem of Gibraltar in the light of relevant resolutions of the General Assembly and in the spirit of the Charter of the United Nations."

VI. FUTURE STATUS OF THE TERRITORY

Position of the Administering Power

56. In July 1996, Mr. David Davis, the then United Kingdom Minister of State for Foreign and Commonwealth Affairs, visited Gibraltar and on 1 July made the following statement:

> "Once again, I am delighted to be here to demonstrate Britain's commitment to Gibraltar and the British Government's desire to work closely with the Government of Gibraltar in promoting the interests of this important dependent Territory. Today I have announced a further package of measures designed to support the Government of Gibraltar in working for a secure and prosperous future for Gibraltar. These follow on from and supplement the measures I announced here last November.
>
> "This continues our substantial programme. The measures I have announced are an expression of my confidence in Gibraltar and Gibraltarians, and in the future."

57. According to the administering Power, the measures include:

(a) Further EU structural funds secured by the United Kingdom for Gibraltar totalling about £5.5 million (6.75 million European currency units (ECU)) for the next three years. These funds can be used for business development, tourism, transport infrastructure and human resources;

(b) Further United Kingdom support for the EU legislation unit in Gibraltar, already in its fourth year of operation, and further help in drafting specialist legislation;

(c) Specialist legal draftsman to visit Gibraltar later this month to help with legislation on smuggling;

(d) Continued support for Gibraltar's economic development and planning through:

(i) Appointment of a new insurance supervisor at the Financial Services Commission;

(ii) Appointment of a supervisor of controlled activities;

(iii) Provision of a range of British commercial directories for Gibraltar and ensuring easier access to the Department of Trade and Industry facilities to the United Kingdom to improve the prospects for trade;

(iv) Further cooperation on tourism development;

(e) Expert advice on management of Gibraltar's public finances, including secondment of an official from the National Audit Office to the Gibraltar Government's Audit Department;

(f) Help with the collection and analysis of official statistics;

(g) Help with police and related reorganization and improving coordination and analysis against smuggling and fraud;

(h) Aarrangements announced during the Minister's last visit, in November 1995, on health-care costs have been finalized and will come into effect after formal agreement from the British and Gibraltar Governments. This means that United Kingdom pensioners will benefit from health-care costs from the United Kingdom while in Gibraltar.

58. On 12 February 1997, Mr. David Davis, the then United Kingdom Minister of State for Foreign and Commonwealth Affairs, stated the following:

> "Her Majesty's Government stands by its commitment to the people of Gibraltar, enshrined in the 1969 Constitution. The Government will not enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their freely and democratically expressed wishes. That commitment remains steadfast."

59. On 17 March 1997, Baroness Chalker of Wallasey, the then United Kingdom Minister of State for Foreign and Commonwealth Affairs stated:

> "Our position remains unchanged. We support the right of self-determination, reflecting the wishes of the people concerned and exercised in accordance with the other principles and rights in the Charter of the United Nations, as well as other treaty obligations.

In the case of Gibraltar, as we have stated on many occasions, that includes the Treaty of Utrecht."

60. The then Secretary of State for Foreign and Commonwealth Affairs of the United Kingdom made no reference to the question of Gibraltar in his address to the General Assembly at its fifty-first session. At the 94th plenary meeting of the General Assembly, on 27 March 1997, the representative of the United Kingdom said, *inter alia* (A/51/PV.94):

"... The United Kingdom fully accepts its responsibilities under the Charter of the United Nations as an administering Power."

61. At the 13th plenary meeting of the General Assembly, on 27 September 1996, speaking in the exercise of the right of reply to the statement of the Foreign Minister of Spain (see para. 67 below), the representative of the United Kingdom made the following statement (A/51/PV.13):

"My delegation would like to respond very briefly to certain remarks made by the Foreign Minister of Spain this afternoon concerning Gibraltar.

"My delegation has no wish to engage in open polemic with a friendly ally and partner on an issue which can be resolved only by direct talks, such as have already been agreed between our Governments, in the Brussels Declaration of 1984, to which the Foreign Minister referred. In view of what was said, however, it may be necessary to restate the position of my Government, although it is well known to the Government of Spain.

"British sovereignty over Gibraltar was clearly established in the Treaty of Utrecht. This legal fact is incontrovertible. Furthermore, Britain stands by its commitment to the people of Gibraltar in the preamble to the 1969 Constitution. Her Majesty's Government will not enter into any arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their freely and democratically expressed wishes.

"We do not consider that the notion of territorial integrity is at all relevant in this case. I am sure that our Spanish colleague, who exercised his own right of reply last Monday night, understands this position.

"There are many issues left over from history which are better resolved by cooperation than by assertions of sovereignty. Nonetheless, we recognize that Spain is Gibraltar's immediate neighbour and we attach importance to continuing dialogue with Spain as a means of overcoming our existing differences.

"It is in that framework that my Government and the Government of Gibraltar have been engaged with the Government of Spain in talks to improve cooperation on issues such as drug smuggling in the area and to enable the communities on both sides of the frontier to benefit from free economic relations within the framework of the European communities."

62. On 9 October 1996, in a statement to the Special Political and Decolonization Committee (Fourth Committee) (see A/C.4/51/SR.4), the representative of the United Kingdom said that the British record on decolonization was good. The representative said that the United Kingdom continued to take very seriously its obligations under the Charter of the United Nations to develop self-government in its dependent Territories. Within the constraints of treaty obligations, it remained firmly committed to ensuring, in cooperation with the locally elected Governments, that their constitutional frameworks continued to meet the interests of their peoples. Each Territory held regular and free elections.

Position of the territorial Government

63. In a statement made on 29 January 1997 in Brussels, Mr. Peter Caruana, Chief Minister of Gibraltar, *inter alia*, said:

"... The people of Gibraltar seek recognition of the right to self-determination as established by the Charter of the United Nations, numerous resolutions of the United Nations... Self-determination means that the people of Gibraltar can determine their own future free of external imposition or interference... Gibraltar is not engaged in a quest for sovereign independence. We seek to maintain our political ties with the United Kingdom... Gibraltar and its citizens want to participate in the new Europe of the future, the Europe of Maastricht... The Government of Gibraltar wants to seek good neighbourly relations and mutual cooperation with Spain... We therefore seek a process of dialogue with Spain in which Gibraltar can be present in its own right with its own voice..."

64. In a statement delivered at the swearing in ceremony of the Governor of Gibraltar, on 24 February 1997, the Chief Minister of the Territory said, *inter alia*, the following:

"... One of the things that unites all Gibraltarians is our commitment and conviction to the view that we have an inalienable right to self-determination. That is, the right to decide our own political future, free from external imposition of any kind and from any quarter. The other expression of political repositioning is our

desire to achieve decolonization, to shed our colonial status through a process of constitutional modernization which, while preserving a status of political dependency with the United Kingdom, will give us a modern non-colonial status, something along the lines of the Isle of Man or the Channel Islands. The Government is committed to the early pursuit of such constitutional modernization during the remainder of this term of office. The Government of Gibraltar seeks good, neighbourly, European relations with Spain. To that end we ... seek to engage Spain in a process of a dialogue, to enhance cooperation and to improve the traditionally hostile relationship between the Government of Spain and Gibraltar. However, it must be dialogue in which the people of Gibraltar have a voice of their own and in which we can participate with complete safety on the question of sovereignty. Needless to say, Gibraltar is not willing to participate in a process in which we are expected to trade sovereignty or sovereignty concessions for normal, civilized, European relations and cooperation. Gibraltar will never go down that route, whatever the carrot, whatever the stick. Nor is Gibraltar willing to forego the assertion and pursuit of our international legal and political rights. Accordingly we will continue to pursue the quest for international recognition of our right to self-determination in the United Nations and elsewhere and we will continue, as we have so successfully started to do recently, to take our legitimate EU grievances and aspirations straight to the heart of Europe. We are determined to do everything in our power to prevent Spain from getting away with seeking to deny us the rights and privileges which go with our status as an integral part of the European Union. Gibraltar is entitled to occupy the moral high ground in these matters and we are determined that it will do so. Gibraltar is entitled to have its political and legal rights respected and we are determined that they should be. In all these vital matters, we do of course rely on and expect full and effective support from Her Majesty's Government. It is therefore a matter of great satisfaction that Her Majesty's Permanent Representative to the European Union, Sir Stephan Wall, and all his staff should have so fully and helpfully supported the Gibraltar Government's recent visit to European Union institutions in Brussels ..."

Position of the Government of Spain

65. On 27 November 1996, the Minister for Foreign Affairs of Spain, in reply to a parliamentary question from the Senator for Cadiz, stated, *inter alia*, the following:

> "... There are two parties who take decisions regarding the sovereignty of the territory, and they are the colonial Power, the United Kingdom, and Spain. On some occasions, as in the case of Joshua Hassan, the Gibraltarian side formed part of the British delegation. On this occasion it appears that Mr. Caruana, representing the local Government of Gibraltar, has found it difficult to be part of the British delegation. It is unfortunate that we were unable to learn the views of the local Government of Gibraltar and I believe it is also unfortunate that the party that demanded greater cooperation and understanding on the part of the Spanish authorities could not be here to listen in person but must do so through intermediaries to what the Spanish Government and Minister for Foreign Affairs think about how to raise living standards in the region, how to improve infrastructures and how to draw up a framework that offers stability and prosperity to Gibraltarians in the future. It is my understanding, then, that this decision, which we regret, has an adverse effect first and foremost on Gibraltarians; it is logical, however, that Spain should reject any change in the traditional format and the entry of a third voice, a third faction, a third party into the process. I believe it is possible that in the future he may reconsider his position and do as his predecessors did, participating in the meetings, as has always been done in the past, as a member of the British delegation. This is, of course, something Mr. Caruana and the local Gibraltarian authorities will have to decide for themselves."

66. In a statement in Parliament on 4 December 1996, the Minister for Foreign Affairs said the following:

> "Twelve years after the Brussels process began, on 27 November to be exact, the issues of sovereignty have yet to be addressed, whereas the issue of cooperation, which was to have been dealt with in parallel with the discussions on sovereignty, has moved ahead spectacularly in a very short time. In addition, this cooperation has not been mutually beneficial, but has served to place the colony in an unimaginable position of economic and general well-being, much less now that transfers to the garrison have been reduced."

67. The Foreign Minister of Spain in his address to the General Assembly at its fifty-first session, on 27 September 1997, *inter alia*, said (A/51/PV.13):

> "... One of priority objectives of the Spanish Government is the decolonization of Gibraltar. Through its resolutions, the General Assembly pointed the way to a decolonization process which, based on the principle of territorial integrity, should be carried out through bilateral negotiations between the United Kingdom, the colony's administrative Power, and Spain, the State in whose territory the colony is located. The Spanish Government will carry out with the greatest flexibility, but also the greatest firmness, the future bilateral negotiations with the United Kingdom on the basis of the Brussels Declaration of November 1984, with the clear aim of moving forward in the process to culminate in the restoration of Spain's full territorial integrity, generously safeguarding the interests of the colony's population and convinced of the urgent need to bring an end to the anachronism of the existence of a colony of one European Union member State in the territory of another friendly and allied member State."

68. At the fourth meeting of the Special Political and Decolonization Committee (Fourth Committee), on 9 October 1996, the representative of Spain said that his Government's position on the question of Gibraltar had not changed. It was well known to members of the Committee and had been reflected in the statement made by the Minister for Foreign Affairs of Spain during the general debate and in his own statement to the Special Committee on Decolonization. In his statement, the Chief Minister had spoken of the wish of the people of Gibraltar to take part in the negotiating process and had pointed out that only the two sovereign States, Spain and the United Kingdom, were participating in the negotiations. The issue was how best to include the people of Gibraltar in such a framework. A reasonable formula had been elaborated in Brussels whereby the people of Gibraltar have been allowed to attend the talks and take part in them. However, the representative of Spain said, since Gibraltar could not be regarded as a sovereign State, its people could hardly discuss issues which were not within their sphere of competence. He continued that it was therefore necessary to reiterate that the local authorities in Gibraltar had excluded themselves from the negotiating process by attempting to impose on Spain elements of a political nature which lay outside their powers. Spain, however, felt a deep respect for the people of Gibraltar and it hoped that they would be able to join in the negotiating process at the earliest possible opportunity.

69. At the 1458th meeting of the Special Political and Decolonization Committee, on 23 July 1996, the representative of Spain recalled that the decolonization of Gibraltar was a priority for his country. The people and the various political movements of Spain wished to restore the country's territorial integrity, and the United Nations had, in a number of resolutions, established that the decolonization of the Territory should take place in accordance with the principle of territorial integrity. ... The representative of Spain recalled that General Assembly resolution 2625 (XXV) reaffirmed that any breach of the territorial integrity of States was incompatible with the purposes and principles of the Charter of the United Nations. He also recalled that resolution 2353 (XXII) on the question of Gibraltar stated that any colonial situation which partially or completely destroyed the national unity and territorial integrity of a country was incompatible with the purposes and principles of the Charter of the United Nations and that resolution 2429 (XXIII) reaffirmed that the continuation of the colonial situation in Gibraltar was incompatible with the purposes and principles of the Charter. The representative of Spain said that, in accordance with the wishes of the General Assembly, the Governments of Spain and the United Kingdom had agreed, by the 1984 Brussels Declaration, to begin negotiations in 1985, and that those negotiations had continued since that time. The Gibraltarians had participated in them within the framework of the British delegation until 1988, when they had decided to withdraw; that had been a regrettable decision and the local authorities should reconsider it. The representative said that Spain had no intention of harming the people of Gibraltar, and would take their interests and their autonomous institutions into account. The Government was prepared to guarantee all those aspects in the context of a negotiated settlement. Dialogue must go ahead, with the participation of the Gibraltarian authorities. However, the Spanish Government had reservations concerning certain petitions and statements that had been made at the current meeting and it reserved the right to make a further statement on the subject at the appropriate time.

Anglo-Spanish negotiations

70. The negotiating process established by the Brussels joint communiqué of 27 November 1984 continued during the period under review. One formal meeting was held at the level of Foreign Minister, in Madrid on 22 January 1997.

71. Upon conclusion of that meeting, the then United Kingdom Foreign Secretary stated the following:

> "Thank you very much indeed. Could I echo what Abel Matutues has said. I am delighted to be in

Madrid and it is important that good friends and good allies like Spain and the United Kingdom should meet in this way to discuss matters of common interest, and particularly when there are historic problems and difficulties, then the proper way to address them is through dialogue and discussion and we very much welcome this opportunity.

"As you have heard, we have covered a wide range of issues relevant to Gibraltar and to the relationship of Gibraltar with Spain and the United Kingdom, in the context of European Union membership. And we have addressed the various ways in which it ought to be possible to take forward cooperation and to achieve benefits in the interests of all concerned.

"We of course have raised and discussed some of the issues that have been prominent in recent weeks. There has been the important question of Gibraltarian passports and rights of people from Gibraltar to travel in Spain, and there has been very important clarification with regard to that which I have been happy to welcome.

"We, I think, have both found this to be a very valuable opportunity to understand each other's point of view and to identify the priorities for future cooperation and progress. And, like my colleague and friend, I am happy now to respond to questions."

72. In a press conference held on 22 February 1997, the Minister for Foreign Affairs of Spain, *inter alia*, said the following:

"We have in fact spoken of illicit trafficking and of the need to act more effectively. What is clear is that there are two kinds of illicit trafficking, that which is visible, for example, the fast boats, which traditionally have been involved in tobacco smuggling and in recent years have branched out, dangerously, into drug smuggling, including hard drugs in some cases, and we have noted that, thanks to the vigorous measures taken by the British Government and supported by action at the local level, significant progress has been made in prosecuting these visible forms of trafficking. But this is only part of the problem. Spain continues to face a very, very serious problem with the so-called invisible kind of illicit trafficking: Gibraltar's existing financial system, which is an opaque system and does not furnish the requisite information to the National Commission of the Stock Market. There are some 50,000 companies in Gibraltar where, in some cases, as in the case of those named 'Bajamar', and others, transactions involving amounts approaching 30 billion pesetas of laundered money from illegal operations, in particular from drug trafficking, were uncovered last December. Spain continues to demand more energetic action in this area, although I wish to express some satisfaction, in that Mr. Rifkind and the British Governor of Gibraltar have announced a plan to correct the opaqueness of the Gibraltar financial system To this end they intend in the coming months to implement a plan which, for our part, we would like to see implemented as quickly as possible to genuinely make Gibraltar a financial centre complying with all relevant financial regulations in existence in Europe. These developments thus offer an indication that the talks, although they will probably extend over a lengthy period, are positive for both parties."

73. Issues relating to Gibraltar were also discussed at a meeting between British and Spanish officials in December 1996.

Anglo-Gibraltarian discussions

74. During the period under review, there were regular meetings and discussions between the United Kingdom and Gibraltarian ministers and officials. On 12 February 1996, Mr. David Davis, the then Minister of State for Foreign and Commonwealth Affairs, stated that:

"My right honourable and learned friend the Foreign Secretary regularly meets the Chief Minister of Gibraltar to discuss matters concerning Gibraltar's future. The last such meeting was in London on 18 November. He also met the Spanish Foreign Minister in Madrid on 22 January under the Brussels process to explore the scope for enhanced cooperation between Gibraltar and Spain."

Airport agreement

75. As previously reported, according to the administering Power and subject to the necessary legislation being put in place, the United Kingdom and Spain agreed to the development of the Gibraltar Airport jointly coordinated by the British and Spanish authorities. The British Government had made clear at the time that they would not impose it on Gibraltar if the latter did not wish to implement it (see also A/AC.109/1007, paras. 22 and 23; A/AC.109/1074 and Corr.1, paras. 17-23; A/AC.109/1195, paras. 33-35 and A/AC.109/2057, para. 65). In 1997, Lord Chesham, responding to a question posed in the House of Lords

regarding the Gibraltar Airport Agreement, made the following statement:

> "... The 1987 Joint Declaration concerning the Gibraltar Airport agreement has not been updated. We are prepared to listen to any ideas from the Government of Gibraltar concerning the development of the airport. Any practicable solution to which all parties could agree would be welcome. This would open the way for the EU aviation liberalization measures to apply to Gibraltar.
>
> "... We are hopeful that an airport agreement can be concluded. It is a difficult and unusual situation in that it takes three to tango. There is no need to terminate the agreement. We have already said that we will not impose it on Gibraltar unless Gibraltar is perfectly happy that it should come into place.
>
> "... The Spanish Government insists that the existing declaration should be implemented before it can be amended. That will not be imposed on Gibraltar. Gibraltar does not want it and therefore it will not take place.
>
> "... The existing declaration which covers joint control will not be imposed on Gibraltar but Spain is insisting that it is first implemented. Therefore, by inference, it continues to insist on joint control.
>
> "... It would be of great economic value to Gibraltar if the airport could be freed up and we would definitely welcome any proposals which would make that effective."

76. The Minister for Foreign Affairs of Spain, in a meeting of the Foreign Affairs Commission of the Congress of Deputies, on 4 December 1996, made the following statement:

> "Spain, logically, is requesting the United Kingdom to implement the 1987 agreement on the joint use of Gibraltar airport, which the local authorities have rejected. This is unacceptable to Spain, and, once again, those who have been hurt most by it are the Gibraltarians. Let us not forget that this airport was built not on Gibraltarian territory ceded to the United Kingdom under the Treaty of Utrecht, but on the Isthmus, taking advantage of certain circumstances, and thus constitutes illegally occupied territory. While Spain believed that this agreement on joint use would be good for the whole region by promoting such cooperation, and therefore signed it and called upon the British Government to do its part, what Spain cannot accept, naturally, is the purely commercial approach taken to the matter by the local authorities which is prejudicial to their right to the territory; accordingly, it calls for the agreement to be implemented as signed and not on the basis of any 'light' readings. So long as the agreement goes unimplemented, Spain will continue to demand such use and will continue to consider it unfortunate both for Gibraltar and for all neighbours in the zone."

Notes

[1] Information contained in the present working paper has been derived from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73*e* of the Charter of the United Nations, on 18 March 1997, as well as from the official documents of the Government of Spain.

United Nations A/AC.109/2085

General Assembly

Distr.: General
10 June 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Regional seminars of the Special Committee

Report of the Special Committee

1. At its forty-sixth session, the General Assembly adopted resolution 46/181 of 19 December 1991, entitled "International Decade for the Eradication of Colonialism", and a plan of action aimed at ushering in, in the twenty-first century, a world free from colonialism, in which, *inter alia,* the Special Committee was requested to organize during the Decade seminars in the Caribbean and Pacific regions alternately, as well as at United Nations Headquarters, to review the progress achieved in the implementation of the plan of action, with the participation of the peoples of the Non-Self-Governing Territories, their elected representatives, the administering Powers, Member States, regional organizations, specialized agencies, non-governmental organizations and experts. In its resolution 51/146 of 13 December 1996, the General Assembly approved the programme of work of the Special Committee envisaged for 1997, including, *inter alia,* the holding of a seminar in the Caribbean region to be organized by the Special Committee, and to be attended by the representatives of all the Non-Self-Governing Territories.

2. These seminars became an important instrument for the effective discharge of the mandate of the Special Committee, particularly in the absence of formal cooperation by three administering Powers (France, the United Kingdom of Great Britain and Northern Ireland and the United States of America) and the consequent lack of access by the Special Committee to the Non-Self-Governing Territories. Under such circumstances, the seminars have become the only available means to ascertain the views and wishes of the peoples of the Territories.

3. In its consultations in 1996 and 1997 with the United Kingdom and the United States, the Special Committee reaffirmed the position referred to in paragraph 2 above. Those consultations resulted in the adoption by the General Assembly on 27 March 1997 without a vote of resolution of 51/224. The relevant paragraphs of the resolution (section A thereof) read as follows:

> "*Mindful* that United Nations visiting missions provide an effective means of ascertaining the situation in the Territories, and considering that the possibility of sending further visiting missions to the Territories at an appropriate time and in consultation with the administering Powers should be kept under review,
>
> "*Taking note* of the fact that the Special Committee held at Port Moresby, from 12 to 14 June 1996, a Pacific regional seminar to review the situation in the Non-Self-Governing Territories, particularly their political evolution towards self-determination by the year 2000,

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"*Mindful* that in order for the Special Committee to enhance its understanding of the political status of the peoples of the Territories, and to fulfil its mandate effectively, it is important for the Committee to be apprised by the administering Powers, and to receive information from other appropriate sources, concerning the wishes and aspirations of the peoples of the Territories,

"*Mindful also* that in this connection the Special Committee regards the holding of regional seminars in the Caribbean and Pacific regions and at Headquarters and other venues, with the active participation of representatives of the Non-Self-Governing Territories, as a helpful means to fulfil its mandate, while recognizing the need for reviewing the role of these seminars in the context of a United Nations programme for ascertaining the political status of the Territories,

"*Mindful further* that some Territories have not had any United Nations visiting mission for a long period of time,

"...

"*Stresses* the importance for the Special Committee to be apprised of the views and wishes of the peoples of the Territories and to enhance its understanding of their conditions, (para. 5)

"*Reaffirms* that United Nations visiting missions to the Territories at an appropriate time and in consultation with the administering Power are an effective means of ascertaining the situation in the Territories, and requests the administering Powers and the elected representatives of the peoples of the Territories to assist the Special Committee in this regard." (para. 6)

4. The Office of Internal Oversight Services submitted a report to the General Assembly (A/51/486) on the seminars of the Special Committee. The report was considered at the 1467th meeting of the Special Committee, held on 24 February 1997. The Under-Secretary-General for Internal Oversight Services participated in the meeting at the invitation of the Special Committee.

5. The views expressed by the members of the Special Committee are summarized below:

(a) By its report (A/51/486) the Office of Internal Oversight Services exceeded its mandate, which was set by the General Assembly in its resolution 48/218 B of 29 July 1994, by pronouncing itself on political issues which are the prerogative of Member States;

(b) The report represents an inappropriate political judgement on the part of the Office, particularly since it questions the decolonization mandate of the Special Committee as approved by the General Assembly;

(c) At the political level, the Office is not competent to pass judgements on or to determine the usefulness of conclusions and recommendations contained in a document of an intergovernmental body;

(d) By concluding that there was an inadequate attendance of the seminar by representatives from Non-Self-Governing Territories, the report demonstrated that the Office erred in its judgement and showed a lack of depth in analysis. As was well known to all concerned, the seminars were held because the administering Powers refused to cooperate with the Special Committee and discouraged the participation of the representatives of the Non-Self-Governing Territories under their respective administration. The seminars, in the view of the Special Committee, remain the only alternative solution for the effective and efficient discharge of the decolonization mandate;

(e) It was essential for the Office to adhere strictly to its mandate, to consult the Special Committee during the investigating process and to present a balanced report to ensure that such an instrument would not be used to tarnish the image of the United Nations and its noble and universally recognized achievement in the field of decolonization.

6. The Under-Secretary-General for Internal Oversight Services made a statement at the meeting. He also sent a letter dated 14 March 1997 (see annex) addressed to the Chairman of the Special Committee which reflects the views expressed in his statement.

Concluding remarks

7. The seminars continue to be an important and effective instrument for the discharge of the mandate of the Special Committee.

8. The Special Committee believes that the investigation and the report of the Office of Internal Oversight Services exceeded the mandate of the Office and that the conclusions in the report are unbalanced and unjustified. Since there was no misuse or mismanagement of funds, the Office should have limited itself to that aspect.

9. The Special Committee will continue its dialogue with the administering Powers aiming at ensuring their full cooperation, particularly by facilitating United Nations visiting missions to Non-Self-Governing Territories, and

therefore would be ready to review the role of the regional seminars.

10. In view of the persistent endeavours of the Special Committee, particularly its efforts to convey its message to the peoples and the Governments of the Non-Self-Governing Territories, this year the Caribbean Regional Seminar was attended, *inter alia,* by participants from eight Non-Self-Governing Territories, including elected representatives.

11. The Special Committee is gratified that its work was endorsed and supported by the Movement of Non-Aligned Countries. This support was reaffirmed by the Ministerial Conference of the Movement of Non-Aligned Countries held at New Delhi in April 1997, and by the decision of the Chairman of the Movement to send a representative to participate in the Caribbean Regional Seminar held at St. John's, Antigua and Barbuda, from 21 to 23 May 1997 (see A/AC.109/2089).

Annex

Letter dated 14 March 1997 from the Under-Secretary-General for Internal Oversight Services addressed to the Chairman of the Special Committee

At the meeting of the Special Committee on 24 February, at which the Committee discussed the report of the Office of Internal Oversight Services (A/51/486) on the seminars conducted on the topic of the Non-Self-Governing Territories, a number of delegations expressed grave concern about the report. I have concluded from this discussion that perhaps the Office of Internal Oversight Services, as a servicing office, had not done a good job of explaining our intentions, reasons and goals in agreeing to undertake this inquiry at the request of the Under-Secretary-General for Political Affairs.

In the meantime, I have studied thoroughly the interventions made by delegations at the 24 February meeting and would like to add a few thoughts and comments to the preliminary reaction which I submitted directly and orally.

The rationale for the creation of the Office of Internal Oversight Services was, *inter alia,* to demonstrate to world public opinion that the United Nations is serious about the efficient and effective utilization of limited resources. To that end, the General Assembly adopted resolution 48/218 B of 29 July 1984 which provides the Office with a mandate extending to the resources and staff of the Organization. In furtherance of that decision, the Secretary-General, in establishing the Office, entrusted it with the authority to inquire into the operations of the Organization as they affect the staffing, funding and other resources of the United Nations, as well as reported violations of rules, regulations and administrative issuances. Indeed, in our informal session, one delegation asked why the review in question had been done as part of an investigation rather than in another form. Resolution 48/218 B provides the answer: the Office of Internal Oversight Services is authorized to "carry out and report on any action which it considers necessary to fulfil its responsibilities".

Therefore, I would have to take issue with the observation of some delegations that this investigation by the Office seriously violated the bounds or overstepped the limits of resolution 48/218 B. This was certainly not the intention of the Office. Our awareness of the sensitivity of the matter at hand is reflected in the cautious and deliberate wording of the recommendation we made, advising the Committee explain to the public the *raison d'être* and the continued usefulness of the seminars.

I also wish to go on record underlining that nowhere in the report does the Office question the mandate of Member States or pass judgement on the underlying political issue, which is indeed entirely within the authority of the legislative bodies.

The sole and very specific issue on which the Office meant to give advice was the value-for-money aspect in the context of the seminars. In so doing, we did not suggest, as some delegations seemed to imply, that the most serious issue of decolonization should be ignored in the future.

In short, while I believe that the resolution, as well as the Secretary-General's bulletin which followed (ST/SGB/273 of 7 September 1994), do support our authorization to conduct the review of the seminars, I also have taken into account the very strong reservations expressed so eloquently at the meeting. As such, the concerns of the distinguished Committee members were noted by the Office. I wish to assure you and, through you, the Committee that the Office of Internal Oversight Services appreciates the time and thought given to this matter by the distinguished representatives and that it will be cognizant of these concerns in its future undertakings. There are many topics and reports that the Office has been asked to examine on behalf of its clients which I believe raise issues of importance to the United Nations and which do not raise the issues of concern which the distinguished representatives have noted for us. I believe strongly in the obligations and responsibilities of the Office of Internal Oversight Services to perform its internal oversight role in a judicious, transparent and responsible manner.

In view of our mutual commitment to the Organizations's best interests I am at your disposal, should the Committee decided to pursue the discussion of the report or related issues.

(Signed) Karl Th. **Paschke**

United Nations A/AC.109/2086

General Assembly

Distr.: General
30 May 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Guam

Working paper prepared by the Secretariat

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I. General

1. Guam[1] is a Non-Self-Governing Territory administered by the United States of America with a locally elected Government. Basic information concerning the Territory is contained in the previous working paper submitted by the Secretariat (A/AC.109/2047, paras. 1-4). The people of Guam elect a Governor who serves a four-year term, 21 senators who serve two-year terms in a unicameral legislature, and a non-voting Delegate to the United States Congress, who also serves a two-year term. The people of Guam became United States citizens in 1950 when the United States Congress enacted the Guam Organic Act, which established institutions of local government and made Guam an organized Territory. Guam is an unincorporated Territory since not all provisions of the United States Constitution apply to the island.

2. The local judicial system is made up of a Superior Court and a Supreme Court led by judges appointed by the Governor. Local judges are subject to confirmation by the voters every six years. A United States District Court for Guam is headed by a District Court Judge appointed by the President of the United States.

3. Guam consists of a single island of approximately 212 square miles. It is located 3,700 miles west/south-west of Honolulu. According to the administering Power, the population of Guam in 1995 was estimated at 149,249. The annual rate of growth is about 2.3 per cent.

II. Constitutional and political developments

4. Detailed information on the Constitution, the territorial Government and the 1994 general election is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2018, paras. 5-13). As for developments concerning the Commonwealth status of Guam, see paragraphs 41 to 44 below.

III. Activities related to the withdrawal of military bases

5. Detailed information on the military installations in the Territory is contained in the 1995 working paper prepared by the Secretariat (A/AC.109/2018, paras. 14-20). A summary of the information contained therein is set out below.

6. The United States Air Force Secretary, Ms. Sheila E. Widnall, visited the Anderson Air Force Base in Guam on 22 and 23 October 1995. In a press conference held on 22 October, Ms. Widnall confirmed that as a result of the United States Air Force downsizing programme, the Anderson base "did not and would not house any aircraft".

7. In April 1996, a decommissioning ceremony for the USS *Holland*, which had been providing servicing and maintenance to submarine and surface ships at Apra Harbor for four years, was held in Guam.

8. According to press reports, in April 1996, Mr. Mark Forbes, member of the territorial Senate, addressed a letter to the United States Secretary of Defense recommending that the United States postpone indefinitely its base closures on Guam and re-evaluate the strategic and socio-economic consequences of the downsizing of the United States military presence in the Territory.

IV. Economic conditions

9. Guam's economy has recovered from a downturn during the 1993-1994 period following extraordinary growth from 1988 to 1993.

10. Guam's gross territorial product increased by 3.9 per cent in 1994 to $3,030 million after an increase of 69 per cent from $1,729 million in 1988 to $2,917 million in 1993, an annual average growth rate of 10 per cent. Growth slowed somewhat in 1995. Total employment fell to 65,130 in December 1995 from 65,800 in 1994 and 68,464 in 1993. Unemployment increased to 7.8 per cent in the last quarter of 1995. Total personal income increased from $1,327 million in 1988 to $2,241 million in 1993, and to $2,325 million in 1995. Rapid expansion of the tourism sector was a major catalyst of overall economic growth. Total visitor arrivals increased from 586,000 in 1988 to 1,362,000 in 1995.

11. The reasons for Guam's growth were outside investment, primarily from Japan, and the Territory's continuing popularity as a tourist destination. After a decline in Japanese real estate investment from 1990 to 1993 and a series of natural disasters, including six typhoons late in 1992 and a Richter 8.2 earthquake in August 1993, Guam's economy made a strong recovery in 1994 and 1995.

12. The number of hotel rooms on Guam in 1994 increased to 6,873 from 6,616 in the previous year. In 1995 the hotel occupancy tax generated $19.9 million for the local government, up from $14.6 million in 1993.

13. Guam's economic expansion has also raised local investment capacity to record highs. Guam's newly increased ability to generate capital from local sources will be important in sustaining the Territory's growth. Bank deposits on Guam have grown 78 per cent since 1987; in 1994, total bank deposits reached $1.4 billion. Bank loans have increased, more than tripling since 1987. Bank loans in 1994 stood at $2.5 million. Another indicator of revival — the value of construction permits — totalled $614 million in 1994, compared to $431 million the previous year.

14. Tourism generated about 40 per cent of direct and indirect employment in the private sector in Guam. The Government of Guam employed 14,850 workers in 1994, an increase from the 13,973 workers recorded the previous year. Federal employment in the Territory stood at 7,490 in 1994, down slightly from 7,692 in 1993. Public employees represent about a third of the total workforce. The unemployment rate in 1995 was 7.3 per cent, with an estimated 3,500 workers actively seeking employment.

15. Since the mid-1980s, job creation has outpaced growth in the workforce. A beneficial result of this has been low unemployment, but it is apparent that much of the growth in employment is the result of multiple job holdings. Guam has become dependent upon an immigration of labour from Pacific Rim countries through the H-2 programme and from Micronesians immigrating under the provisions of the Compact of Free Association allowing unrestricted entry into the United States. These additions to the labour force from outside Guam are essential to economic growth but have increased demands for local government services as the labourers adjust to Guam's cultural and social modes.

16. The Guam Government reported 1995 General Fund revenues of $524 million, up from $501 million in 1994 but still below 1993's $561.5 million. However, the slowdown in the growth of government revenues resulted in an operating deficit in the General Fund of $184.7 million by the end of the 1994 financial year.

17. According to the United States Bureau of the Census's Federal Expenditures by State and Territory for the year 1994, direct federal grants to the Government of Guam in 1994 amounted to about $153 million, up from $89 million in 1993. These included grants from the United States Departments of Education, Health and Human Services, and Transportation, the Federal Emergency Management Agency (FEMA), etc. Total federal expenditures on Guam, including military spending and payments to individuals, as well as direct grants to the territorial Government, were estimated by the United States Census Bureau at $1,048 million for 1994.

18. The United States Defense Department downsized during the period from 1993 to 1996. The Department's spending and jobs in the Territory therefore declined .

V. Transportation, communications and other basic utilities

A. Water system

19. Approximately 74 per cent of the water produced in Guam is provided by the Public Utility Agency of Guam (PUAG). The remainder is produced by the Air Force and Navy installations on Guam. The territorial Government's water sources are groundwater and surface water (Ugum River). The Navy water source is a surface reservoir (Fena Lake) in the southern part of the Territory. The PUAG water originates primarily in an aquifer known as the northern lens, which is tapped by 94 active wells. According to the PUAG Well Monitoring Report, about 26 million gallons per day (MGD) are currently pumped from the northern lens. The $12 million Ugum River project at the southern end of the island, completed a few years ago, added an additional 1 to 2 MGD of potable water to Guam's daily supply.

20. The formation of an independent Guam Water and Sewer Authority to incorporate the functions of PUAG and place the operation and maintenance of Guam water and sewer activities on a more business-like basis was recommended by the territorial Government.

B. Sewer system

21. Improvements have been made in the operation of the wastewater utility during the past year. The North District and the Agana sewage treatment plants are about to be exempted from administrative orders issued by the United States Environmental Protection Agency for not complying with national standards. The transfer of Tumon Bay sewage to the North District plant and the completion of the rehabilitation of that plant facilitated this change. PUAG has also reached agreement with the United States Navy in regard to the relocation of the Agat sewage treatment plant; the joint outfall has been designed and will be put out for bid in the near future. The plant will provide 20 MGD of secondary treatment capacity. The new Agat sewage treatment plant will phase out the older plant; the port treatment facility will be phased out and the effluent pumped to the Agana plant.

C. Solid waste disposal

22. Guam also enacted legislation in 1995 to charge user fees for the collection and dumping of solid waste at the government landfill. That legislation will free up $2.7 million in federal funding (1988-1989) to close the Ordot landfill and develop a new solid waste dump.

D. Power generation and distribution

23. The Guam Power Authority, an autonomous agency of the Government of Guam, is responsible for providing electricity throughout the island. Total power consumption in 1991 was 862.4 million kilowatt hours (kWh). The average kWh per customer increased from 11,127 in 1990 to 12,064 in 1991, an increase of 8 per cent. Average annual residential power cost per customer in 1991 was $1,070.

E. Roads

24. The estimated length of the road network on Guam was approximately 975 miles at the end of 1992. Of that total, 420 miles of roads are classified as non-public roads. Many of these roads are located on federal government installations located throughout Guam. Of the 550 miles of public road, approximately 144 miles form the primary network (this includes some secondary roads); about half of this mileage is classified as urban roads. There are about 222 miles of streets and 123 miles of local or collector roads. The primary network is paved. In the case of the streets and local roads, 330 miles (80 per cent) are paved and the remaining 83 miles (20 per cent) are unpaved. There are 27 bridges in the road system.

F. Airport

25. The A. B. Won Pat Guam International Air Terminal and surrounding facilities are administered by the Guam Airport Authority. The airport facilities are first-rate, but the growth in passenger arrivals and cargo warrants increasing the capacity of the facilities. Guam has recently expanded its airport aprons to alleviate the problems of aircraft waiting in the taxiways. The Authority hopes to triple the size of the airport when the $253 million programme to construct a new terminal at the eastern end of the existing facility is completed later this year. Terminal enlargement would increase the number of passenger gates to 17. The closing of the Guam Naval Air Station in 1995 provided additional acreage and facilities for expansion of the airport operations. The station, which owned the airport's runways, was ordered closed by the Base Realignment and Closure Commission in August 1993. Guam authorities expected total passenger traffic to reach 3.6 million passengers in 1995. The facility is reported to handle some 1,500 flights a month. The airport is a regional aviation hub and base of operations for Continental Micronesia, the regional carrier.

G. Seaport

26. The Port Authority of Guam (PAG) administers the commercial port facilities at Apra Harbor. PAG is a public corporation and autonomous agency of the Government of Guam. Guam's port is a major trans-shipment centre for the Western Pacific and is equipped to move containerized, unitized, break-bulk, and tuna cargo efficiently. The port has in recent years seen an average annual increase in cargo of 23 per cent. PAG is expanding its container yard and is planning to spend $100 million in reconstruction activities through the year 2005.

VI. Banking and finance

27. *Commercial bank deposits*. In 1995, Guam had about $1.3 billion in commercial bank deposits, showing a decline of about $100 million from 1994 and more from the peak land boom year of 1991.

28. *Commercial bank loans*. Guam also had a large amount of commercial bank loans, in an amount of more than $2 billion in 1995. Guam was the only Territory administered by the United States with more bank loans than deposits; with $1 billion dollars more in loans than deposits, Guam demonstrated its development as a financial and business centre for the Western Pacific area.

VII. Land issue

29. According to the Governor of Guam, the land issue continued to be unresolved. Earlier in 1997, the Governor submitted to the Twenty-Fourth Legislature the Ancestral Lands Act which addressed the concern of the Chamorro people regarding those lands which had been taken from the federal Government or by the territorial authorities. The Governor called upon the Legislature to adopt the Act in order to ensure that the legitimate land property rights of the Chamorro might be preserved and protected.

VIII. Crime and crime prevention

30. The territorial Government approved its commitment to tackle the problem of crime despite its limited personnel and resources. It declared that it would fight to rid the Territory of illegal drugs. Police officers increased by 35 per cent arrests relating to the drug known as "ice". The territorial Government doubled the number of police vehicles on the streets. It also doubled the number of customs officers and armed them with the latest equipment. It is reforming the prison system. It assembled the first-ever drug task force combining the resources of all the federal and territorial crime fighters. The police launched a major offensive against crime and drug rings.

31. According to the territorial Government, building a "safe" community would require a commitment from every level of society. Greater resources were needed for the fight against crime, including officers to patrol the streets, more vehicles and equipment to help officers do their jobs, more prosecutors to put criminals behind bars, more facilities to keep criminals off the streets and more alternatives for youth so they were not drawn into the world of gangs and drugs.

32. According to the territorial Government, there was also a need to continue to build gymnasiums in the villages, to run summer camps for youth and to open new recreational centres and programmes all over the Territory.

IX. Educational conditions

33. The territorial Government indicated it was borrowing to provide funds for the Southern High School and Tamuning and Astumbo elementary schools, as well as various buildings at the University of Guam. However, the Governor indicated that unless sufficient resources were available, the territorial Government might default and this would constrain its ability to borrow and provide funds for education. The Governor pointed to some achievements, such as the fact that Southern High School was going to open on time. An agreement with the Navy was reached that would allow direct access from Route 5 to the school. The agreement also provided for eventual access from Route 2 and committed the Navy to disposing of hazardous waste found on the site.

34. The Governor announced savings of nearly $7 million on the construction of Astumbo Elementary School which would be used to build another elementary school in Agafa Gumas.

35. An extra $7 million was put back into a project to build a fine arts auditorium and an Olympic-sized swimming pool.

X. Public health

36. The territorial Government pledged that the highest quality of health care would be made available to every man, woman and child. At the heart of Guam's health care system is its hospital, which has been upgraded over the last 15 years.

37. The territorial Government brought from Hawaii experts with proven track records at Queens Hospital, Kapiolani, and Straub Clinic to help them identify solutions to the problems facing the hospital and other clinics.

XI. Environment

38. The territorial Government stated that its efforts to develop a thriving economy must never compromise the people's paramount right to a clean and healthy environment. It also asserted its responsibility to prevent its land, shores, air and ocean waters from being damaged and polluted by uncontrolled development. The Guam Environmental Protection Agency has established programmes and policies to require that businesses which invest in the Territory and government entities also take the measures necessary to protect Guam's fragile environment.

39. According to the Governor of Guam, the Government and the private sector entered into a partnership to enhance the natural beauty of the Territory and would be proceeding with plans for island-wide improvement of park areas; such improvement efforts were about to be completed on Latte Park and would soon begin on Puntan Dos Amantes Park/ Two Lovers' Point.

XII. Culture

40. An integrated Chamorro Heritage Institute will use its combined resources to focus on preserving the Chamorro language and promoting the understanding of Chamorro history, and its unique character. Legislation would be introduced by Guam to establish the Institute.

XIII. Future status of the Territory

A. Draft Commonwealth Act

41. Detailed information on the political status referendum of 30 January 1982, and on the draft Commonwealth Act, as well as on the negotiations related thereto between the territorial Government and the administering Power during the period from 1986 to 1994 are contained in previous working papers prepared by the Secretariat (A/AC.109/1192, paras. 19-37, and A/AC.109/2018, paras. 74-83). Additional information for 1995-1996 is set out below.

42. As stated in the previous working paper, the Governor of Guam and the Deputy Secretary of the Interior held meetings at San Francisco and Washington, D.C., to discuss the draft Commonwealth Act. Governor Carl Gutierrez reportedly stated subsequently that the negotiations "went extremely, extremely well" and that the congressional subcommittee could hold hearings in summer 1996.

43. The media reported that in December 1996, Governor Gutierrez met United States President Bill Clinton to discuss the Commonwealth issue. According to the Governor, this was the first meeting at such a level in the history of bilateral relations between Guam and the United States. The Governor was encouraged by the President's statement that he "would see what he could do to get the Commonwealth moving". [2]

44. In April 1997, Guam's representative to the United States Congress, Mr. Robert Underwood, met President Clinton and voiced his concern about the political status of Guam. Mr. Underwood said that "the President's words were somewhat routine".[3] According to media reports, Mr. Underwood met in May 1997 with Mr. Bill Richardson, Permanent Representative of the United States to the United Nations. Upon the conclusion of the meeting Mr. Underwood stated that Mr. Richardson had "made a commitment that Guam will be consulted before anything is done".[4]

B. Position of the territorial Government

45. The Twenty-Fourth Guam Legislature, at its 1997 regular session, adopted the following resolution on 27 March 1997:

> "Relative to registering our strong objection to the amendments made to the section regarding the Territory of Guam in the United Nations omnibus draft resolution addressing the situation in the Twelve (12) Non-Self-Governing Territories, which was approved by the Fourth Committee (Special Political and Decolonization); to question the process by which the resolution as drafted by the Special Committee on Decolonization was amended; and to reiterate our continuing support of the Chamorro people's right to determine the future political status of the Territory of Guam through an act of self-determination, as approved by the voters of Guam in their quest for the interim status of Commonwealth.
>
> "Be it resolved by the Committee on Rules, Government Reform and Federal Affairs of the Twenty-Fourth Guam Legislature:
>
> "Whereas, the United Nations has dedicated this decade as the International Decade for the Eradication of Colonialism; and
>
> "Whereas, the Special Committee on Decolonization (Special Committee) has, since its inception, played a critical role in the decolonization process by monitoring, protecting and promoting the rights of the peoples of Non-Self-Governing Territories, most especially, their right to exercise self-determination for their territories; and
>
> "Whereas, the Special Committee in its draft resolution on the Twelve (12) Non-Self-Governing Territories states the following operatives regarding the Non-Self-Governing Territory of Guam:
>
> 1. Calls upon the administering Power, namely the United States of America, to facilitate the exercise of self-determination by the Chamorro people of Guam as endorsed by the people of Guam, in the draft Guam Commonwealth Act, and to keep the Secretary-General informed of the progress to that end;
> 2. Requests the administering Power to continue assisting the elected territorial government in achieving its political, economic and social goals;
> 3. Requests the administering Power, in cooperation with the territorial government, to continue the transfer of land to the people of the Territory and to take the necessary steps to safeguard their property rights;
> 4. Requests the administering Power to continue to recognize and respect the political rights and the cultural and ethnic identity of the Chamorro people, and to take all necessary measures to respond to the concerns of the territorial

government with regard to the immigration issue;

5. Requests the administering Power to implement programmes specifically intended to promote the sustainable development of economic activities and enterprises by the Chamorro people; and

6. Requests the administering Power to continue supporting appropriate measures by the territorial government aimed at promoting growth in commercial fishing, agriculture and other viable activities; and

"Whereas, Guam's administering Power proposed amendments to the Guam section of the draft resolution which were contrary to the will and wishes of the people of Guam, as expressed in their draft Guam Commonwealth Act, and through testimonies by territorial officials and non-governmental organizations before various committees of the United Nations; and

"Whereas, the Special Political and Decolonization Committee (Fourth Committee) in November 1996 decided to postpone until March 1997 its consideration of the section of a report from the Special Committee on Decolonization containing the draft resolution on the Twelve (12) Non-Self-Governing Territories, and a draft resolution with related amendments submitted by the United States and the United Kingdom; and

"Whereas, the Special Political and Decolonization Committee (Fourth Committee), after consultations with the Special Committee and the two (2) administering Powers, namely the United States and the United Kingdom, subsequently approved an amended draft resolution without a vote; and

"Whereas, there was no communication with the government of Guam regarding the proposed amendments which may have dire consequences for the people of the territory of Guam, especially in regards to the status of the Chamorro people in their own homeland; and

"...

1. Calls upon the administering Power to take into consideration the expressed will of the Chamorro people, as endorsed by the people of Guam; encourages the administering Power and the territorial government of Guam to continue the negotiations on this matter; and requests the administering Power to inform the Secretary-General of the progress to this end;

2. (Same as original draft);

3. Requests the administering Power, in cooperation with the territorial government, to continue the orderly transfer of land to the people of the Territory and to take the necessary steps to safeguard their property rights;

4. Requests the administering Power to continue recognizing and respecting the political rights and the cultural and ethnic identity of the people of Guam, including the Chamorro people, and to take all necessary measures to respond to the concerns of the territorial government with regard to the immigration issue;

5. Requests the administering Power to cooperate in establishing programmes specifically intended to promote the sustainable development of economic activities and enterprises by the people of Guam, including the Chamorro people; and

6. (Same as original draft); and

"Whereas, the amendments, preambular as well as operative, substantially change the true picture of Guam and do not reflect the will or wishes of the people of Guam, as endorsed by the draft Guam Commonwealth Act; Guam legislative resolutions addressing the United Nations, testimonies by territorial officials and non-governmental organizations before various committees of the United Nations; and other communications by territorial officials and non-governmental organizations; and

"Whereas, as amended, the draft resolution approved by the Fourth Committee is an affront to the Chamorro people of Guam, who are Guam's indigenous people and are the victims of colonization, and who are recognized by the voters of Guam as having the right to determine the future political status of the Territory of Guam through an act of self-determination, as endorsed in the 1987 Draft Guam Commonwealth Act; now therefore, be it

"Resolved, that the Twenty-Fourth Guam Legislature unconditionally supports the will and wishes of the people of Guam, as expressed in the 1987 Draft Guam Commonwealth Act and related documents; recognizing that Commonwealth status would be an interim status until the Chamorro people determine the future political status of the Territory of

Guam through an act of self-determination; and be it further

"Resolved, that the Committee on Rules, Government Reform and Federal Affairs of the Twenty-Fourth Guam Legislature does hereby, on behalf of the people of Guam, continue to communicate the will and wishes of the people of Guam and their process and progress towards decolonization to the United States and the United Nations; and be it further

"Resolved, that the Speaker and the Chairman of the Committee on Rules, Government Reform and Federal Affairs certify to, and the Legislative Secretary attest, the adoption hereof and that copies of the same be thereafter transmitted to the President and the Secretary-General of the United Nations; to the Chairman of the Special Political and Decolonization Committee (Fourth Committee); to the Chairman of the Special Committee on Decolonization; to the United States Mission to the United Nations; to Guam's Washington Delegate Robert A. Underwood; and to the Governor of Guam."

C. Position of the Administering Power

46. Information under this section is contained in document A/AC.109/2080, paragraphs 36 and 37.

D. Action by the General Assembly

47. On 27 March 1997, the General Assembly adopted without a vote resolution 51/224 B, section VI of which particularly concerns Guam.

Notes

[1] The information contained in the present working paper was derived from a report transmitted to the Secretary-General by the United States of America under Article 73 *e* of the Charter of the United Nations on 30 April 1997 and published sources.

[2] *Pacific Daily News*, 19 December 1996.

[3] Ibid., 19 April 1997.

[4] Ibid., 27 May 1997.

United Nations A/AC.109/2087

General Assembly

Distr.: General
30 May 1997

Original: English

Special Committee on the Situation with Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Western Sahara

Working paper prepared by the Secretariat

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I. General

1. A detailed account of the general conditions and developments relating to Western Sahara was provided in a previous working paper prepared by the Secretariat on the Territory (A/AC.109/1194).

2. The period under review witnessed an intensive effort to break the deadlock in the implementation of the settlement plan and there have been some positive developments, including the release of prisoners and detainees and contacts between the Government of Morocco and the Frente Popular para la Liberación de Saguia el-Hamra y de Río de Oro (Frente POLISARIO).

II. Good offices of the Secretary-General

3. During the period under review, the Secretary-General presented four reports to the Security Council on the situation concerning Western Sahara (S/1996/674, S/1996/913, S/1997/166 and S/1997/358). These reports concentrated on efforts by the Secretary-General to overcome the impasse which prevented the implementation of the settlement plan.

4. In his report of 20 August 1996, the Secretary-General informed the Council that "the current deadlock can be broken and progress achieved only when both parties recognize that identification is a scrupulous process based on clear principles, and in the context of a broader agreement." The Secretary-General appealed to the two parties to demonstrate flexibility and to cooperate with his Acting Special Representative. The Secretary-General also appealed to "Member States that have influence to lend their support to the efforts of the United Nations". The Secretary-General expressed his satisfaction that the ceasefire was holding. (For further details see S/1996/674.)

5. In his report of 5 November 1996, the Secretary-General stated that, with the consent of the Security Council, considerable reductions in the size and functions of the United Nations Mission for the Referendum in Western Sahara (MINURSO) had been carried out. The Secretary-General also reported to the Council on the activities of his Acting Special Representative. In the same report, the Secretary-General welcomed the release by the Government of Morocco of 66 Frente POLISARIO prisoners of war in November 1996. The Secretary-General reported on the activities of the Independent Jurist for the release of political prisoners and also informed the Security Council that the Office of the United Nations High Commissioner for Refugees (UNHCR) continued to monitor the situation in the region. The Secretary-General urged all parties to contribute by taking further positive measures which could help improve the prospects of a lasting settlement, as well as to continue their cooperation with the Acting Special Representative. (For further details see S/1996/913.)

6. In an attempt to overcome the stalemate in implementing the settlement plan, the Secretary-General posed to the Security Council in his report of 27 February 1997 (S/1997/166) the following questions:

> "(a) Can the settlement plan be implemented in its present form?
>
> "(b) If not, are there adjustments to the settlement plan, acceptable to both parties, which would make it implementable?
>
> "(c) If not, are there other ways by which the international community could help the parties resolve their conflict?"

7. The Secretary-General conveyed in his report of 27 February 1997 to the Security Council (S/1997/166) his intention to intensify the examination of the question and to report to the Council before the expiry of the mandate of MINURSO on 31 May 1997.

8. The Secretary-General also stated that he was considering further reductions in the staffing of MINURSO. He moreover pointed out that the United Nations could not compel the parties to honour their commitment to cooperate in implementing the settlement plan. Without such cooperation, it would become increasingly difficult to justify continuing expenditure beyond the expiry of the current mandate (31 May 1997). The international community could not continue to spend its scarce resources on Western Sahara in the absence of any progress in the implementation of the plan that the two parties had freely accepted nine years ago. The Secretary-General considered it a critical moment for the Mission. Therefore he underlined that: "I can only hope that the parties do not fail to realize the serious implications for the future of MINURSO." The Secretary-General also informed the Council that his Acting Special Representative had continued to pursue the matters raised by the Independent Jurist, including a revised and annotated list of persons allegedly detained by Morocco which had been submitted by the Frente POLISARIO. Furthermore, the Secretary-General stated that the UNHCR office in Tindouf had become operational as of July 1996.

9. On 17 March 1997, the Secretary-General informed the Security Council of the appointment of his Personal Envoy to Western Sahara, stating that :

> "As indicated in my interim report of 27 February 1997 (S/1997/166) pursuant to [Security Council resolution 1084 (1996)], the impasse persists. I intend therefore to intensify the examination of all the questions blocking the implementation of the Settlement Plan. In this spirit and in accordance with paragraph 17 of my report, I have decided to appoint Mr. James Baker III as my Personal Envoy to help me assess the situation and to make recommendations to me. I hope that an exploratory visit can be undertaken to the region soon, in view of the time-frame of the current mandate of MINURSO." (S/1997/236)

10. This step was welcomed by the parties and Mr. James Baker visited the region from 23 to 28 April 1997. The Secretary-General in his report of 5 May 1997 (S/1997/358) informed the Security Council about Mr. Baker's visits to Morocco, Algeria and Mauritania where he was received by the Heads of State and other high officials, as well as to the Tindouf area where he met with the Secretary-General of the Frente POLISARIO as well as other officials.

11. In the same report, the Secretary-General informed the Council that the MINURSO strength was 228 and that it continued to monitor and verify the ceasefire. No violations were reported. The Secretary-General indicated that once his Personal Envoy completed his assessment of the situation, the strength of the military component of MINURSO would be reviewed (S/1997/358, para. 15).

12. The Secretary-General stated than an international UNHCR staff member had been appointed to Tindouf effective 15 February 1997 and that during the visit of his Personal Envoy to the Tindouf area, the Frente POLISARIO had presented to him a list of 85 prisoners of war whom it proposed to release (ibid., para. 17).

13. The Secretary-General also informed the Security Council that his Personal Envoy had stressed to the parties that he had come to make a fresh assessment of the situation and to discuss with all concerned ways of breaking the current stalemate. The Secretary-General added that Mr. Baker would return to the area in June 1997 after which he would report his findings and recommendations. He urged the parties to cooperate fully with his Personal Envoy. The Secretary-General also recommended an extension of MINURSO till 30 September 1997 (ibid., para. 22).

III. Consideration by the Security Council

14. The Security Council considered the reports of the Secretary-General (S/1996/343, S/1996/913, S/1997/166 and S/1997/358). Consistently supporting the Secretary-General in his efforts to find a solution to the impasse, the Council, *inter alia*, urged the parties concerned to demonstrate political will, cooperation and flexibility, and to consider additional ways to create confidence between themselves in order to remove obstacles to the implementation of the settlement plan. The Council took the following action:

15. On 29 May 1996, the Security Council adopted resolution 1056 (1996), the operative part of which reads:

> "1. *Reiterates* its commitment to the holding, as soon as possible, of a free, fair and impartial referendum for the self-determination of the people of Western Sahara in accordance with the Settlement Plan which has been accepted by the two parties referred to above;
>
> "2. *Deeply regrets* the fact that the required willingness does not exist to give MINURSO the cooperation needed for it to resume and complete the identification process, and that there has therefore been no significant progress towards implementation of the Settlement Plan;
>
> "3. *Agrees with* the recommendation of the Secretary-General that the identification process be suspended until such time as both parties provide concrete and convincing evidence that they are committed to resuming and completing it without further obstacles, in accordance with the Settlement Plan;
>
> "4. *Supports* the proposal of the Secretary-General to reduce the strength of the military component of MINURSO by 20 per cent, on the understanding that this will not impair its operational effectiveness in monitoring the ceasefire;
>
> "5. *Endorses* the view of the Secretary-General that the decision to suspend temporarily the work of the Identification Commission and to reduce the number of civilian police and military personnel does not imply any lessening of resolve to secure the implementation of the Settlement Plan;
>
> "6. *Supports* the proposal of the Secretary-General, in the context of the Settlement Plan, to maintain a political office to continue the dialogue

with the parties and the two neighbouring countries and to facilitate any other effort that could help set the parties on a course towards an agreed formula for the resolution of their differences, and encourages the Secretary-General to consider ways of strengthening the role of this office;

"7. *Urges* the two parties to demonstrate without further delay the political will, cooperation and flexibility necessary to permit the resumption and early completion of the identification process and the implementation of the Settlement Plan, notes with satisfaction that the parties have respected the ceasefire, which is an integral part of the Settlement Plan, and calls upon them to continue to do so;

"8. *Also calls upon* the parties, as a demonstration of good will, to cooperate with the United Nations in the implementation of certain aspects of the Settlement Plan, such as the release of Saharan political prisoners and the exchange of prisoners of war on humanitarian grounds, as soon as possible, to accelerate implementation of the Settlement Plan in its entirety;

"9. *Encourages* the parties to consider additional ways to create confidence between themselves in order to remove obstacles to implementation of the Settlement Plan;

"10. *Decides* to extend the mandate of MINURSO, on the basis proposed by the Secretary-General in his report of 8 May 1996, until 30 November 1996;

"11. *Reminds* the parties that if significant progress is not achieved during this period, the Security Council will have to consider other measures, including possible further reductions in the strength of MINURSO, but stresses its readiness to support the resumption of the identification process as soon as the parties have demonstrated the necessary political will, cooperation and flexibility, as called for in paragraph 7 above;

"12. *Requests* the Secretary-General to continue his efforts with the parties to break the impasse blocking the implementation of the Settlement Plan, and to submit a report to the Security Council by 31 August 1996 on the outcome of his efforts;

"13. *Also requests* the Secretary-General to keep the Security Council closely informed of all significant developments, including their humanitarian aspects, and to submit a comprehensive report on the implementation of this resolution by 10 November 1996;

"14. *Decides* to remain seized of the matter."

16. On 27 November 1996, the Security Council adopted resolution 1084 (1996), the operative part of which reads as follows:

"1. *Reiterates* its commitment to the holding, as soon as possible, of a free, fair and impartial referendum for the self-determination of the people of Western Sahara in accordance with the Settlement Plan;

"2. *Supports* the activities of the Acting Special Representative in continuing the dialogue with the parties and the two neighbouring countries and in facilitating, in the context of the Settlement Plan, other efforts to set the parties on a course towards an agreed formula for the resolution of their differences, and requests that those activities be accelerated and that the parties continue to cooperate with the Acting Special Representative;

"3. *Notes* the beneficial effect of demonstrations of goodwill and of all contacts aimed at achieving the implementation of the Settlement Plan;

"4. *Welcomes* the steps taken by the parties to demonstrate goodwill, including the release of prisoners, and the recent indications that the parties are moving forward in their efforts to resolve outstanding questions concerning the implementation of the Settlement Plan, and encourages them to pursue these efforts so as to build confidence between themselves and to facilitate the implementation of the Settlement Plan;

"5. *Welcomes also* the ongoing activities of the Office of the United Nations High Commissioner for Refugees (UNHCR) and the cooperation afforded to it by the parties, and encourages UNHCR to pursue its humanitarian work and assistance in accordance with its mandate and the Settlement Plan;

"6. *Decides* to extend the mandate of MINURSO, on the basis proposed by the Secretary-General in his report of 5 November 1996, until 31 May 1997;

"7. *Requests* the Secretary-General to continue his efforts with the parties to break the impasse blocking the implementation of the Settlement Plan,

and to submit an interim report to the Security Council by 28 February 1997 on the outcome of his efforts;

"8. *Also requests* that in his next report the Secretary-General propose alternative steps, in the framework of the Settlement Plan, should there be no meaningful progress towards removing the obstacles to the implementation of the Plan;

"9. *Further requests* the Secretary-General to continue to keep the staffing size and configuration of the various components of MINURSO under active review in order to ensure maximum efficiency and effectiveness, and to include in his next report ways to achieve this aim;

"10. *Also requests* the Secretary-General to keep the Security Council closely informed of all significant developments, including their humanitarian aspects, and to submit a comprehensive report on the implementation of this resolution by 9 May 1997;

"11. *Decides* to remain seized of the matter."

17. The Security Council considered the report of the Secretary-General of 27 February 1997 (S/1997/166). Subsequently, the President of the Security Council on 19 March 1997 made a statement (S/PRST/1997/16) on behalf of the Council welcoming the report of the Secretary-General and expressed the Council's disappointment at the lack of progress on the implementation of the Plan for the settlement of the question of Western Sahara. The Council concurred with the Secretary-General's assessment that it was essential to maintain the ceasefire and that the presence of MINURSO had been essential in helping the parties to maintain their commitment to the ceasefire. The Council expressed its strong support for the Secretary-General's efforts to overcome the current stalemate in implementing the settlement plan and in this context it welcomed the appointment by the Secretary-General of a Personal Envoy to the region and urged the parties to cooperate fully with him.

18. On 22 May 1997, the Security Council adopted resolution 1108 (1997), the operative part of which reads:

"1. *Reiterates* its commitment to the holding, without further delay, of a free, fair and impartial referendum for the self-determination of the people of Western Sahara in accordance with the Settlement Plan, which has been accepted by the parties;

"2. *Decides* to extend the mandate of the United Nations Mission for the Referendum in Western Sahara (MINURSO) until 30 September 1997;

"3. *Urges* the parties to continue to cooperate with the Personal Envoy of the Secretary-General in his mission as outlined by the Secretary-General, and to demonstrate the political will to overcome the persisting stalemate, and find an acceptable solution;

"4. *Requests* the Secretary-General to keep the Security Council informed of progress in the situation and to submit to the Council, by 15 September 1997, a comprehensive report on the results of his evaluation of all aspects of the Western Sahara issue;

"5. Decides to remain seized of the matter."

IV. The Secretary-General's Personal Envoy's visit to the region

19. The Secretary-General's Personal Envoy, Mr. James Baker, was well received by the States and parties concerned in the region. The international media paid close attention to the visit of Mr. Baker (23-28 April 1997), his statements and the reactions of the parties concerned. Mr. Baker indicated that the visit was aimed at having a fresh assessment of the situation.

20. Mr. Baker had an audience with King Hassan II. He also met with the Prime Minister and Minister for Foreign Affairs and Cooperation, the Permanent Representative of Morocco to the United Nations, the Minister for the Interior and other government officials.

21. Mr. Baker had an audience with the President of Algeria and met with the Prime Minister. The Minister for Foreign Affairs, the Permanent Representative of Algeria to the United Nations and other senior government officials of Algeria attended a meeting with Mr. Baker and his delegation. Mr. Baker also visited Mauritania and had an audience with the President and met with the Prime Minister, the Minister for Foreign Affairs and the Permanent Representative of Mauritania to the United Nations. While in Algeria, Mr. Baker visited Tindouf. Mr. Baker met with Mr. Mohammed Abdelaziz, the Secretary-General of Frente POLISARIO, and its representatives in New York and Washington, D.C.

22. In explaining the fact-finding nature of his mission, Mr. Baker stressed the political and economic importance of the resolution of this question. He stated that :

"If there could be a solution to this problem, there could be not just economic benefits for the region and for the parties involved, but political

benefits as well". (*Agence France-Presse*, 22 April 1997)

V. Political and other developments

23. In a letter dated 10 March 1997 to the President of the Security Council (S/1997/208), the Permanent Representative of Morocco stated that :

"Morocco considers it regrettable that the 27 February 1997 report (S/1997/166) limits itself to stating that the identification process stalled late in 1995, without mentioning the main reason for that situation, which was described clearly in the report submitted to the Security Council on 24 November 1995 (S/1995/986).

"The fact is that, according to paragraph 2 of the earlier report, 'the basic obstacle to continuing and completing the identification process relates to certain tribal groups and to persons not resident in the Territory, in whose identification the Frente Polisario para la Liberación de Saguia el-Hamra y de Río de Oro (Frente POLISARIO) does not agree to participate and, in many instances, has no sheikh, or alternate, to propose.'

"To reflect that fact, future reports should recall why the identification process stalled, so as to make clear what responsibility should be attributed to each side.

"In his latest report, the Secretary-General also states that the 'conditions posed by the two sides for further identification are incompatible' (S/1997/166, para. 4).

"The Kingdom of Morocco has done its utmost to help bring the referendum process to an early conclusion and has always cooperated unreservedly. It has never posed any conditions for the continuation or resumption of the identification process and it would be unfair to accuse it of having done so.

"Morocco's position, which is to defend the right of any person to take part in the referendum process who can prove that he or she belongs to Western Sahara, coincides fully with that of the United Nations, as reflected in many of the Secretary-General's reports, including that of 24 November 1995 which states that 'the United Nations Mission for the Referendum in Western Sahara (MINURSO) had an obligation to consider all applications which had been correctly submitted' (S/1995/986, para. 3).

"The other party is opposed to that right and has made its participation in the identification process subject to two conditions which are contrary to the spirit and the letter of the settlement plan.

"That party is trying to restrict the right of Saharans to participate in the referendum by limiting that right to persons whose names appear in the Spanish census of 1974, a census whose omissions and flaws have been acknowledged by all forums, including the 1990 conference of tribal leaders.

"That party has also posed the condition that the lists of persons found eligible to vote by the Identification Commission should be made available. This is contrary to the provisions of the settlement plan, which stipulates clearly that such lists should be made available only at the end of the identification process and after they have been approved by the Secretary-General.

"Paragraph 4 of the report of 27 February 1997 states that the number of persons identified by the time the identification process stalled 'corresponds to the number of persons estimated to have survived since 1974, when the Spanish colonial authorities conducted a census indicating that 73,497 Saharans resided in the Territory.'

"Linking these figures could create misunderstandings. The Identification Commission has, in fact, received a certain number of applications, 233,487 of which have been processed (176,533 in the Territory on the Moroccan side, 42,468 in the camps at Tindouf and 14,486 in Mauritania), as can be seen from the Secretary-General's report of 24 November 1995 (S/1995/986). Other applications have still to be processed.

"...

"The Kingdom of Morocco has affirmed repeatedly its attachment to full implementation of the settlement plan. It considers that the drafting of the plan was a long and arduous process and that altering it, which would necessarily entail altering all the implementing measures adopted by the different organs involved in the process, could prove to be an even longer and more complex process.

"While Morocco remains committed to the settlement plan, the other party is doing its utmost to

delay the referendum process and even prevent it from taking place.

"Morocco has called repeatedly on the Security Council to fulfil its responsibilities by forcing the recalcitrant party to abide by the settlement plan, which was the outcome of intense negotiations and considerable effort. It would like to reiterate that call, so that the international community might take the necessary action and thereby end the suffering endured daily by fellow Moroccans in the camps at Tindouf.

"Morocco considers that the international community, as represented by the Security Council, endorsed a plan for the settlement of the question of Western Sahara and that it should take the necessary action to impose its wishes, by ensuring the resumption and completion of the referendum process."

24. In a letter dated 7 April 1997 addressed to the Chairman of the Special Committee, the Frente POLISARIO provided its views on the impasse in the implementation of the settlement plan as follows:

"The suspension of the self-determination referendum is a severe blow to the peaceful solution the United Nations has been calling for for 30 years. As the Secretary-General said in his report in May 1996 (S/1996/343), the United Nations cannot abandon its responsibility in Western Sahara and towards the right of the Sahrawi people to self-determination and independence.

"The Polisario Front has made a sincere contribution to the efforts deployed by the United Nations and the Organization of African Unity (OAU), and is prepared to continue contributing so that the spectre of war is replaced by the hope of a just and definitive peace. In this context, a ceasefire with no prospect for the transparent and credible application of the peace plan is perhaps the optimum scenario for Morocco, as the occupying colonial Power, but it is not a solution which is acceptable either to the Sahrawi people or to the United Nations, in that it would mean the perpetuation of a *fait colonial* under the protection of the Blue Helmets. And that, sooner or later, would lead to an outbreak of armed conflict.

"In the circumstances, the Polisario Front frankly sees no other means of overcoming this dangerous impasse than a process of direct, serious and responsible negotiations between the two parties, under United Nations auspices, to remove the obstacles to a credible and transparent implementation of the peace plan.

"It is in this conviction that the Polisario Front wishes to continue and step up the direct dialogue initiated with the Moroccan Government in September 1996, in the confidence that the Government of Morocco will understand this dialogue not as a means of maintaining the status quo but as a means of enabling the two parties, together with the United Nations and OAU, to overcome the impasse and move towards the smooth and full implementation of the peace plan. For that to be the case, the two parties need the active involvement and resolve of the United Nations and OAU in order to avoid this dialogue being presented later on as a formal concession so as to avoid going into the substance and blame the other party and the United Nations for the failure or futility of the direct dialogue route, which for the time being is Morocco's strategy.

"The Polisario Front does not wish to underestimate the real or imagined difficulties. Nevertheless, certain things need to be made clear. On the one hand, Western Sahara was never Moroccan territory. The Advisory Opinion of the International Court of Justice is unequivocal on this point. In the second place, Morocco does not need territory, still less territory conquered by force. Morocco is perhaps interested in the riches of Western Sahara. If that is the case there are ways of attaining them, more civilized ways, through cooperation in the context of mutual respect for the sovereignty of each people. The Sahrawi Republic is prepared to contribute in every way it can to building a united and prosperous Maghreb in which all of its components will one day erase frontiers and live in the common Maghrebian home.

"The decisions to be adopted by the Security Council on the basis of Mr. Baker's recommendations will have their impact on the course of events. The Polisario Front seriously trusts that they will make a decisive contribution to the advent of a just and definitive peace."

25. As indicated above, the Governments in the region and the Frente POLISARIO welcomed the appointment of the Secretary-General's Special Envoy, Mr. James Baker III. In a letter dated 11 March 1997 addressed to the Secretary-General (S/1997/234, annex), the Prime Minister and Minister for Foreign Affairs of Morocco stated:

"First of all, I should like to express my profound gratitude for your interest in this matter and for your laudable efforts to overcome the obstacles to implementation of the settlement plan.

"In this connection, I should like to assure you once again of the support of the Kingdom of Morocco, its full cooperation and its readiness to spare no effort to ensure that your action is successful. In this context, my country welcomes your initiative and commends your choice of Mr. James Baker III."

26. The Frente POLISARIO in its letter dated 7 April 1997 (see para. 24) considered that the appointment of the Personal Envoy of the Secretary-General, Mr. James Baker, constituted "a positive step". It also stated that:

"The peace process which should have led in 1992 to the organization of a self-determination referendum for the Sahrawi people has, since the end of last year, been in a severe impasse which clouds the prospects for a just and lasting solution to the long colonial conflict in Western Sahara.

"The appointment of the former Secretary of State of the United States of America, Mr. James Baker, as the Special Envoy of the Secretary-General of the United Nations for Western Sahara constitutes a positive step which is interpreted as reflecting a high degree of interest on the part of Mr. Kofi Annan in attempting to unblock the long impasse.

"At this crucial juncture for the future of the peace process, and bearing in mind the importance of the case of Western Sahara for the Special Committee of 24, it is useful to engage in a detailed examination of the course of the conflict in its international aspect, and in particular in terms of the different phases through which the plan has passed until the present situation was reached."

27. The Commission of Human Rights approved, without a vote, on 26 March 1997 a resolution on the question of Western Sahara which expressed the Commission's serious concern about persistent obstacles to the implementation of the settlement plan agreed to and declared the Commission's conviction of the importance and usefulness of direct contacts between the two parties, with a view to overcoming their differences and creating conditions for the speedy and effective implementation of the settlement plan (HR/CN/781).

VI. Consideration by the General Assembly

28. At the fifty-first session of the General Assembly, reference was made to the question of Western Sahara by a number of representatives during their statements in the general debate. During its consideration of the question of Western Sahara the Assembly had before it, *inter alia*, the report of the Secretary-General (A/51/428), submitted in accordance with General Assembly resolution 50/36 of 6 December 1995. That report reviewed the action taken by the Secretary-General, in close cooperation with the Organization of African Unity, in the exercise of his good offices with the parties concerned, as well as the activities of his Acting Special Representative, his consultations with the parties concerned and the reports presented by the Secretary-General to the Security Council containing an analysis of the obstacles which had led to the discontinuation of the identification process.

29. At its 2nd meeting, on 1 October 1996, the General Assembly's Special Political and Decolonization Committee (Fourth Committee) decided to hold a general debate covering agenda item 19, entitled "Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples", including, *inter alia*, the question of Western Sahara.

30. The Fourth Committee considered item 19, including, *inter alia*, the question of Western Sahara at its 2nd to 5th, 8th and 20th meetings, on 1, 7, 9, 10 and 28 October and 22 November 1996 (see A/AC.4/51/SR.2-5, 8 and 20). The general debate and the hearing of petitioners of the items referred to above, including item 19, took place at the 2nd to 5th, and 8th meetings, on 1, 7, 9, 10 and 28 October.

31. The Committee heard nine petitioners on the question of Western Sahara (A/C.4/51/5 and Add.1-8), at its 3rd and 5th meeting, on 7 and 10 October (for further details see A/C.4/51/SR.3 and 5).

32. Also, at the 3rd meeting of the Committee on 7 October 1996, the representative of Morocco made a statement in connection with the hearing of petitioners on the question of Western Sahara (for full details see A/C.4/51/SR.3 and 5).

33. At the same meeting, the representative of Frente POLISARIO made a statement on the question of Western Sahara (for further details see A/C.4/51/SR.5).

34. At the 5th meeting of the Committee, on 10 October, the representative of Algeria made a statement on the

question of Western Sahara (for further details see A/C.4/51/SR.5).

35. On the recommendation of the Special Political and Decolonization Committee (Fourth Committee), the General Assembly adopted on 13 December 1996, without a vote, resolution 51/143 on the question of Western Sahara. The operative part of the resolution reads as follows:

"1. *Takes note* of the report of the Secretary-General;

"2. *Reiterates its support* for further efforts of the Secretary-General for the organization and supervision by the United Nations, in cooperation with the Organization of African Unity, of a referendum for self-determination of the people of Western Sahara, in conformity with Security Council resolutions 658 (1990) and 690 (1991), by which the Council approved the settlement plan for Western Sahara;

"3. *Reaffirms* that the goal on which all were agreed consists of the holding of a free, fair and impartial referendum for the people of Western Sahara, organized and conducted by the United Nations in cooperation with the Organization of African Unity and without any military or administrative constraints, in conformity with the settlement plan;

"4. *Expresses its serious concern* about the persistence of obstacles to the implementation of the settlement plan;

"5. *Takes note* of Security Council resolution 1056 (1996), by which the Council decided to suspend the identification process and to reduce the military component of the United Nations Mission for the Referendum in Western Sahara owing to the absence of progress in the implementation of the settlement plan;

"6. *Reaffirms* the responsibility of the United Nations towards the people of Western Sahara, as provided for in the settlement plan, and in this regard fully subscribes to the commitment of the Security Council and the Secretary-General concerning the fulfilment of their respective mandates, consisting of the holding of a free, fair and impartial referendum for self-determination of the people of Western Sahara;

"7. *Declares its conviction* of the importance and usefulness of direct contacts between the two parties with a view to overcoming their differences and creating propitious conditions for a speedy and effective implementation of the settlement plan, and encourages in this regard the Kingdom of Morocco and the Frente Popular para la Liberación de Saguia el-Hamra y de Río de Oro to start direct talks as soon as possible;

"8. *Requests* the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples to continue to consider the situation in Western Sahara, bearing in mind the ongoing referendum process, and to report thereon to the General Assembly at its fifty-second session;

"9. *Invites* the Secretary-General to submit to the General Assembly at its fifty-second session a report on the implementation of the present resolution."

United Nations A/AC.109/2088

General Assembly

Distr.: General
3 June 1997

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Turks and Caicos Islands

Working paper prepared by the Secretariat

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97-14680 (E) 060697

I. General

1. Information on the geographical features of the Turks and Caicos Islands[1] is contained in a previous working paper prepared by the Secretariat (A/AC.109/2015, paras. 1 and 2). The total population of the Territory in 1995 was 15,000. [2]

II. Constitutional and political developments

2. A summary of the constitutional and political developments in the Territory is contained in previous working papers prepared by the Secretariat (A/AC.109/1185, paras. 3, 4 and 7-9, and A/AC.109/2051, paras. 3-5). In September 1996, Governor Martin Bourke finished his term and returned to the United Kingdom of Great Britain and Northern Ireland, thus ending the controversy that had led to a unanimous demand on the part of the ruling and opposition parties of the Territory addressed to the administering Power to recall him (for details, see A/AC.109/2051, para. 3).

III. Economic conditions

A. General

3. Although growth in the gross domestic product slowed to an estimated 4.5 per cent in 1994 and to 2.7 per cent in 1995, the Territory's economy still ranks among the fastest-growing economies in the Caribbean, with the gross domestic product (GDP) increasing at an average of 7.6 per cent over the decade ending in 1995. In 1995, the gross domestic product stood at US$ 96 million, while per capita it increased to $6,415.

4. The performance of the Turks and Caicos economy in 1995 was characterized by continued rapid growth in tourism, a steady rise in offshore financial services business and an increase in fishing activities, combined with lower inflation rates and a slight reduction in the unemployment rate. Growth in the economy was fuelled largely by investment directed to the export of services, and has been distributed unevenly amongst the islands. Providenciales has become the main travel destination, with rapid growth rates over the past five years, while islands like Grand Turk and South Caicos have seen noticeable contractions in their levels of economic activity.

5. The slower growth in the economy in 1995 was due to lower rates of investment in the economy in 1994 and 1995, with the completion of major hotel projects and government infrastructure works. In 1995 and early 1996, however, the Turks and Caicos Islands was able to attract a number of new offshore investments to the islands. These included 3 major resort facilities, 12 condominium projects, an eco-tourism attraction, 2 large supermarkets, an aircraft parts manufacturing facility, a brewing operation, 2 hydroponic gardens and a marina facility. It is expected that these projects should bring an increase in economic activity in 1997.[3]

B. Public finance

6. In addition to attracting offshore investors as a means of stimulating private sector activity, the Government has embarked on an aggressive programme to strengthen financial management in the public sector, improve productivity of the civil service, reduce the rate of growth in government spending, improve the efficiency of State-owned corporations and enhance revenue collection efforts. This, combined with the rise in economic activity, resulted in the Territory achieving an operating surplus in March 1996 of more than 20 per cent of the annual recurrent budget.[3]

7. According to information provided by the administering Power, government revenues during 1994/95 amounted to $32.8 million, and expenditures to $31.1 million, providing government finances with a surplus of $1.7 million. However, because the revenues raised by the Government are paid into the Consolidated Fund, which started 1994/95 with a deficit of $6.8 million, the surplus was applied to the deficit, reducing it to $4.7 million by March 1995.

8. Government revenues during 1996/97 were estimated at $36.5 million, owing to an expected continuing growth of the tourism and offshore finances industries, as well as the implementation of tighter financial control of government spending.

9. The Government's capital budget estimates form the basis of the public sector investment programme, which is financed through the Development Fund. The Fund was established for the purpose of receiving such monies as may be appropriated annually from the Consolidated Fund, together with other monies received from external donors.

10. External donors include the Government of the United Kingdom, for which funds are administered through the

Dependent Territories Regional Secretariat, the Caribbean Development Bank, the European Union and the United Nations Development Programme (UNDP).

11. During 1995/96, local contributions of $3.4 million were made to the Development Fund, consisting of a contribution of $2.5 million for capital development projects; $650,000 for tourism development projects; and $250,000 for disaster recovery projects. In 1996/97, budget contributions to the Development Fund amounting to $ 400,000 were provided for capital and disaster recovery projects.

C. Public service

12. According to information provided by the administering Power, the Government continued its policy of providing job opportunities as public sector spending grew in line with the economy. Particular areas of its attention were law and order, education and health. In 1994/95, there was total of 1,139 posts in the public service, which increased, by 5 per cent to 1,199 in 1996/97.[4]

D. Offshore financial services

13. General information on the Territory's offshore financial services industry is contained in the previous working paper prepared by the Secretariat (A/AC.109/2051, paras. 12 and 13).

14. The offshore business sector had a total of 14,401 companies registered as of 31 December 1995, with some 11,392 companies doing business outside the Territory. The number of new companies registering in 1995 totalled 2,858, up 9.8 per cent over the previous year. Government earnings from company registrations exceeded $3 million in 1995.[5]

15. Among the attractions for offshore companies are the use of the United States dollar as the official currency, the absence of direct taxation, a growing financial infrastructure, fast and straightforward company registration procedures, extensive financial freedom and confidentiality.

E. Agriculture and fisheries

16. General information on agriculture in the Territory is contained in the previous working paper prepared by the Secretariat (A/AC.109/2051, para. 15).

17. There is little agriculture in the Turks and Caicos Islands although some corn and other vegetables are grown. A rice mill, processing rice from Belize, was opened at the end of 1994.

18. Fishing is a traditional activity and the only productive sector. Conch and lobster are the main catches and there is a conch farm. In 1994/95, economic activity in the sector benefited from high international prices for fish products. The lobster catch dropped by 8.6 per cent to 376,000 kilogrammes, but the conch catch increased by 29.3 per cent to 953,000 kilogrammes. Gross export earnings from lobster and conch rose by 14.3 per cent to $3.4 million.[6]

F. Tourism

19. General information on tourism in the Territory is contained in the previous working paper prepared by the Secretariat (A/AC.109/2051, paras. 18-21).

20. In 1995, the Territory continued to experience strong growth in travel to the islands with the total number of visitors at 78,956, 10 per cent above the level recorded in 1994. Tourism from North America (representing almost 70 per cent of visitors) remained strong, and promotional activities in Europe resulted in rapid growth from that market. In the first quarter of 1996 visitor arrivals were up by 19 per cent, fuelled in large part by the growing diving market.[7]

21. The Government announced plans to commence construction on a new airport terminal on Providenciales in late 1996, on a joint venture basis with a major private-sector firm.[7]

IV. Social conditions

22. Information on social conditions in the Territory is contained in previous working papers prepared by the Secretariat (see A/AC.109/1185, paras. 57-72, and A/AC.109/2015, paras. 28-32).

A. Education

23. According to information provided by the administering Power, the Government of the Territory continues to work towards improving the education sector, with concentration on staff training and a successful drug awareness programme sponsored by the United Nations International Drug Control Programme. Changing enrolment

patterns, in particular the growth in the number of students on Providenciales, remains a key concern of the education sector. Following the expansion of Clement Howell High School and Ianthe Pratt and Oseta Jolly Primary Schools on Providenciales, a study was commissioned to identify rehabilitation and expansion requirements at other schools in the islands. The territorial Government intends to secure donor finance to fund those infrastructure improvements.

24. Total student enrolment at the Community College in 1995/96 was up by 40 per cent figures and the College continues to introduce additional subjects to its programme.

B. Health

25. According to information provided by the administering Power, the organizational capacity of the Territory's health services has been strengthened. Arrangements were made with the Community College to run a locally based health science course from September 1996, a course previously available only in Barbados and Jamaica. The 1996/97 budget provides for additional medical staff at the Myrtle Rigby health complex on Providenciales and sufficient resources fully to open and operate the facility, which will have 10 beds, a delivery room and a operating theatre.

V. Participation in international organizations/arrangements

26. Information on the Territory's participation in international organizations/arrangements is contained in previous working papers prepared by the Secretariat (A/AC.109/2015, paras. 33-35, and A/AC.109/2051, para. 25).

27. UNDP assistance under the fifth cycle country programme (1992-1996) to the Caribbean dependent Territories which includes the Turks and Caicos Islands, had as its principal focus the provision of support for human resource development, capacity-building, institutional strengthening and environment and natural resources management. With this in view, the proposed strategy of UNDP at the start of the current sixth cycle has been to continue its emphasis on providing support in those areas, building upon the outputs of its previous interventions.

28. In the Turks and Caicos Islands, technical cooperation has been largely aimed at direct interventions with a view to laying the basis for meaningful economic development. In this connection, assistance was granted for the establishment of an investment agency, the creation of a national insurance scheme, and to improve customs administration and tertiary level education. In the current cycle, support is envisaged in two broad areas: preparation of an integrated development plan and assistance for the agricultural sector.

VI. Future status of the Territory

29. A summary of the position of the administering Power towards its dependent Territories is contained in previous working papers prepared by the Secretariat (see A/AC.109/1137, para. 17, A/AC.109/1139, para. 17, and A/AC.109/1180, paras. 30-36). For statements during the fifty-first session of the General Assembly, see document A/AC.109/2071, paragraph 36.

30. On 27 March 1997, the General Assembly adopted resolution 51/224 B, a consolidated resolution on 12 Non-Self-Governing Territories, section X of which is specifically devoted to the Turks and Caicos Islands.

Notes

[1] The information contained in the present paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 *e* of the Charter of the United Nations on 7 March 1997. The facts and figures presented in the working paper are the latest information available.

[2] *The Caribbean Handbook 1997/98* (British Virgin Islands), 1997, pp. 230 and 232.

[3] *1997 Caribbean Basin Commercial Profile*, p. 348.

[4] Statement on the 1996/97 budget by Mr. Derek H. Taylor, Chief Minister of Finance, on 29 July 1996 (a mimeographic copy of which was provided to the Secretariat by the Permanent Mission of the United Kingdom to the United Nations).

[5] *1997 Caribbean Basin Commercial Profile*, p. 349.

[6] *The Caribbean Handbook 1997/98* (British Virgin Islands), 1997, p. 233; and *1997 Caribbean Basin Commercial Profile*, p. 349.

[7] *1997 Caribbean Basin Commercial Profile*, p. 350.